ALLIED

Annual Information Form

For The Year Ended December 31, 2017

02.14.18

Contents

Glossary

As used in this Annual Information Form, the following acronyms and terms have the respective meanings set out below:

"Adjusted Unitholders' Equity" means, at any time, the aggregate of the amount of Unitholders' equity and the amount of accumulated depreciation and amortization recorded in the books and records of the REIT in respect of its properties calculated in accordance with IFRS.

"Allied" means Allied Properties Real Estate Investment Trust, and if applicable, includes any subsidiaries of the REIT.

"APM LP" means Allied Properties Management Limited Partnership.

"APM GP" means Allied Properties Management GP Limited.

"Declaration of Trust" means the trust declaration dated October 25, 2002, and amended and restated on February 6, 2003, May 14, 2008, May 11, 2010, May 15, 2012, May 14, 2013, May 14, 2015, and May 12, 2016 governed by the laws of the Province of Ontario, pursuant to which the REIT was created, as the same may be amended, supplemented or varied from time to time.

"Distribution Date" means, in respect of a month, on or about the 15th day of the following month.

"Distribution Reinvestment Plan" or "DRIP" means the distribution reinvestment plan established by the REIT.

"GLA" or "Gross Leasable Area" in relation to a building means the area of the premises that are intended to be leased to tenants in such building, measured using accepted industry standards of measurement.

"Gross Book Value" means, at any time, the total assets of the REIT shown on the then most recent interim balance sheet of the REIT.

"IFRS" means International Financial Reporting Standards issued by the International Accounting Standards Board, and as adopted by the Chartered Professional Accountants Canada, which are applicable as at the date on which any calculation hereunder is to be effective.

"Independent Trustee" means a Trustee who is "independent" as defined in National Instrument 58-101 *Disclosure of Corporate Governance Practices.*

"IPO" means the initial public offering of the REIT completed on February 20, 2003.

"Person" shall include any individual, firm, partnership, association, trust, trustee, executor, administrator, legal personal representative, body corporate, corporation, unincorporated organization, syndicate, governmental entity or other entity.

"Properties" means, collectively, all properties owned by the REIT as at the date hereof and "Property" means any one of them.

"PUD" means a property under development, as designated by the REIT.

"REIT" means Allied Properties Real Estate Investment Trust, and if applicable, includes any subsidiaries of the REIT.

"Related Party" means any person who is: (a) a Trustee or an affiliate of a Trustee; (b) a promoter of the REIT or any affiliate of a promoter of the REIT; (c) a substantial security holder of the REIT or a promoter of the REIT, or any affiliate of such substantial security holder; and (d) an officer, director or employee of the REIT or of a promoter of the REIT, or of any affiliate of the REIT or promoter of the REIT.

"Rights Plan" means the Unitholders' rights protection plan established by the REIT, as amended, supplemented and/or restated from time to time.

"Tax Act" means the *Income Tax Act* (Canada), as amended.

"TSX" means the Toronto Stock Exchange.

"Trustees" means the trustees of the REIT from time to time.

"Trust Indenture" means the trust indenture between the REIT and the Computershare Trust Company of Canada dated as of May 13, 2015, as supplemented from time to time.

"Unitholder" means a holder of a Unit.

"Units" means units in a single class of units of the REIT and includes a fraction of a unit of the REIT.

Non-IFRS Financial Measures

Funds from Operations (**"FFO"**) is a non-IFRS financial measure used by most Canadian real estate investment trusts and should not be considered as an alternative to net income or comprehensive income, cash flow from operating activities or any other measure prescribed under IFRS. While FFO does not have any standardized meaning prescribed by IFRS, the Real Property Association of Canada (**"REALpac"**) established a standardized definition of FFO. Essentially, the REALpac definition is net income with adjustments for non-cash and extraordinary items. Management believes that this definition is followed by most Canadian real estate investment trusts and that it is a useful measure of cash available for distributions.

Adjusted Funds From Operations (**"AFFO"**) is a non-IFRS financial measure used by most Canadian real estate investment trusts and should not be considered as an alternative to net income or comprehensive income, cash flow from operating activities or any other measure prescribed under IFRS. AFFO does not have any standardized meaning prescribed by IFRS. As computed by the REIT, AFFO may differ from similar computations reported by other Canadian real estate investment trusts and, accordingly, may not be comparable to similar computations reported by such organizations. Management considers AFFO to be a useful measure of cash available for distributions. The principal advantage of AFFO is that it starts from the standardized definition of FFO and takes account of regular maintenance capital expenditures and regular leasing expenditures while ignoring the impact of non-cash revenue. As regular maintenance capital expenditures and regular leasing expenditures are not incurred evenly throughout a fiscal year, there can be volatility in AFFO on a quarterly basis.

Net Operating Income (**"NOI"**) is a non-IFRS financial measure and should not be considered as an alternative to net income or net income and comprehensive income, cash flow from operating activities or any other measure prescribed under IFRS. NOI does not have any standardized meaning prescribed by IFRS. As computed by the REIT, NOI may differ from similar computations reported by other Canadian real estate investment trusts and, accordingly, may not be comparable to similar computations reported by such organizations. Management considers NOI to be a useful measure of performance for rental properties.

Net Asset Value (**"NAV"**) is a non-IFRS financial measure and should not be considered as an alternative to net income or net income and comprehensive income, cash flow from operating activities or any other measure prescribed under IFRS. NAV does not have any standardized meaning prescribed by IFRS. As computed by the REIT, NAV may differ from similar computations reported by other Canadian real estate investment trusts and, accordingly, may not be comparable to similar computations reported by such organizations. Management considers NAV to be a useful measure of the value of the total equity interest in the REIT.

Forward-Looking Statements

This Annual Information Form includes certain statements that are "forward-looking statements". All statements, other than statements of historical fact, in this Annual Information Form that address activities, events or developments that the REIT or a third party expects or anticipates will or may occur in the future, including the REIT's future growth, results of operations, performance and business prospects and opportunities, and the assumptions underlying any of the foregoing, are forward-looking statements. These forward-looking statements reflect the REIT's current beliefs and are based on information currently available to the REIT and on assumptions the REIT believes are reasonable. Actual results and developments may differ materially from results and developments discussed in the forward-looking statements as they are subject to a number of significant risks and uncertainties, including those discussed under "Risk Factors" and elsewhere in this Annual Information Form. Certain of these risk factors and uncertainties are beyond the REIT's control. Consequently, all of the forward-looking statements made in this Annual Information Form are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the REIT. These forward-looking statements are made as of the date of this Annual Information Form and the REIT assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise.

Markets

As at December 31, 2017, Allied operated in seven urban markets in Canada – Toronto, Kitchener, Ottawa, Montréal, Calgary, Edmonton and Vancouver.

Unless otherwise indicated, information relating to market statistics contained in this Annual Information Form has been derived from information published by Cushman & Wakefield.

The office inventory statistics are summarized in the table below:

	ESTIMATED OFFICE INVENTORY	ESTIMATED TARGET MARKET INVENTORY	ALLIED CURRENT GLA	PERIOD END ALLIED LEASED RATE	ALLIED'S ESTIMATED SHARE OF TARGET MARKET
Toronto	91,100,000	16,100,000	4,186,019	98.6%	26.0%
Kitchener	2,600,000	1,000,000	562,185	99.2%	56.2%
Ottawa	18,600,000	1,700,000	221,057	100.0%	13.0%
Montréal	47,700,000	17,500,000	4,256,906	94.5%	24.3%
Calgary	51,800,000	2,900,000	924,038	85.2%	31.9%
Edmonton	17,300,000	1,000,000	271,376	99.1%	27.1%
Vancouver	34,000,000	4,000,000	286,520	96.8%	7.2%
Total Office	**263,100,000**	**44,200,000**	**10,708,101**	**95.8%**	**24.2%**
Mission Critical			**559,688**	**83.1%**	
Total			**11,267,789**	**95.2%**	

Urban Office Environments

The REIT focuses on urban office environments that enrich experience and enhance profitability for business tenants. The REIT specializes in an office format created through the adaptive re-use of light industrial structures in urban areas that has come to be known as Class I, the "I" stemming from the original industrial nature of the structures. This format typically features high ceilings, abundant natural light, exposed structural frames, interior brick and hardwood floors. When restored and retrofitted to the standards of the REIT's portfolio, Class I buildings can satisfy the needs of the most demanding office and retail tenants. When operated in the coordinated manner of the REIT's portfolio, these buildings become a vital part of the urban fabric and contribute meaningfully to a sense of community.

The Class I value proposition includes (i) proximity to central business districts in areas well served by public transportation, (ii) distinctive internal and external environments that assist tenants in attracting, retaining and motivating employees, and (iii) significantly lower overall occupancy costs than those that prevail in the central business districts. The value proposition has proven appeal to a diverse base of business tenants, including the full range of service and professional firms, telecommunications and information technology providers, media and film groups and storefront retailers.

In addition to accommodating their employees in Class I office space, many of the REIT's tenants utilize sophisticated and extensive telecommunication and computer equipment. This is often a mission-critical need for tenants. In an effort to serve this related need, the REIT established extensive capability in downtown Toronto through the acquisition of 151 Front Street West, the leading telecommunication interconnection point in Canada. Allied has since expanded its capability by retrofitting a portion of 905 King Street West and a portion of 250 Front Street West with a view to serving its tenants' space requirements more fully.

Environmental Management

The REIT is committed to sustainability as it relates to the physical environment within which it operates. Most of the REIT's buildings were created through the adaptive re-use of structures built over a century ago. They are recycled buildings, and the recycling has had considerably less impact on the environment than new construction of equivalent GLA would have had. To the extent the REIT undertakes new construction through development or intensification, it is committed to obtaining LEED certification. LEED certification is a program administered by the Canada Green Building Council for certifying the design, construction and operation of high-performance green buildings.

The ongoing operation of our buildings also affects the physical environment. Allied is committed to obtaining BOMA BESt certification for as many of its existing buildings as possible. Certification is based on an independent assessment of key areas of environmental performance and management. Level 1 certification involves independent verification that all BOMA BESt practices have been adopted. Level 2 through to Level 4 involve progressively better assessments of environmental performance and management. Allied has five properties with Level 2 certification and 13 properties with Level 3 certification, with plans to put additional buildings forward for certification on an annual basis.

Outlook[1]

Allied expects its operating, acquisition and development environments to be generally favourable in 2018. Allied's internal forecast contemplates solid mid-single-digit percentage growth in same-asset NOI, low-single-digit percentage growth in FFO per unit and high-single-digit growth in AFFO per unit as a material component of straight-line rent in 2017 converts to cash rent in 2018. Allied expects continued growth in NAV per unit in 2018, with significant contribution from development completions, ongoing rent escalation and ongoing cap-rate strength in Canada's major urban centres. Allied's internal forecast is predicated on the continued intensification of the urban core of Canada's major cities and the continued desire on the part of office and retail users to locate in distinctive urban office environments. It is also underpinned by the depth and strength of the Allied team and the team's ability to execute Allied's strategy at all levels.

Allied took advantage of a generally favourable leasing environment in 2017. Over the course of the year, Allied increased the occupied area of its rental portfolio by 480 basis points to 93.5% and the leased area by 310 basis points to 95.2%. It also renewed or replaced leases for 84.7% of the space that matured in the year. This resulted in an overall increase of 17.8% in net rent per square foot from the affected space. This unusually large increase stems for the most part from material rent growth for office space in Allied's primary target markets in Toronto.

Allied re-established leasing momentum at its cloud-hosting facility, 250 Front Street West in Toronto, and began 2018 with economic occupancy at 60%. With the establishment of AWS Direct Connect, ancillary rental revenue is beginning to grow, and smaller users are starting to commit to the facility.

---

(1) This outlook section is comprised entirely of forward-looking statements. The forward-looking statements are qualified in their entirety by the cautionary language found under the heading "Forward-Looking Statements".

The REIT

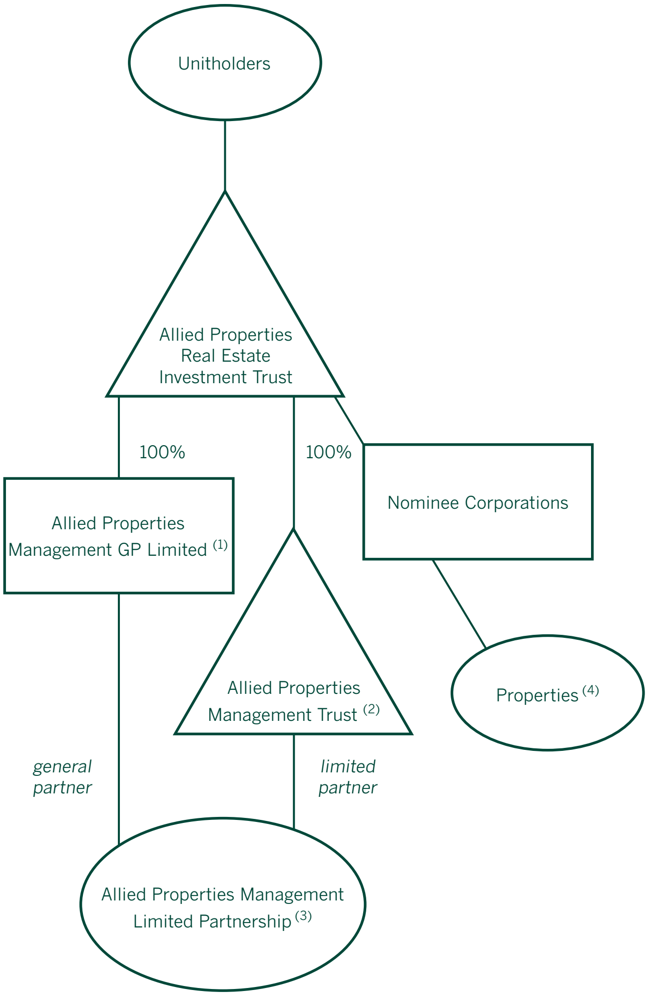
Allied Properties Real Estate Investment Trust is an unincorporated closed-end real estate investment trust created pursuant to the Declaration of Trust dated October 25, 2002, as amended and restated on February 6, 2003, May 14, 2008, May 11, 2010, May 15, 2012, May 14, 2013, May 14, 2015, and May 12, 2016. The REIT is governed by the laws of the Province of Ontario. Although the REIT qualifies as a "mutual fund trust" as defined by the Tax Act, the REIT is not a "mutual fund" as defined by applicable securities legislation. The head office of the REIT is located at 134 Peter Street, Suite 1700, Toronto, Ontario, M5V 2H2.

The objectives of the REIT are: (i) to provide Unitholders with stable and growing cash distributions from investments in income-producing office properties in Canada; and (ii) to maximize Unit value through ongoing active management of the REIT's assets and the acquisition of additional office properties.

Through on-going active management and a comprehensive leasing strategy, the REIT will strive to optimize the net operating income from its portfolio of properties.

The REIT will strive to achieve growth through strategic acquisitions of additional Class I and other office properties in its markets, thereby also increasing its presence in the respective markets.

The following chart illustrates the organizational structure of the REIT:



NOTES

(1) APM GP, a corporation incorporated pursuant to the laws of the Province of Ontario, acts as general partner of APM LP.

(2) Allied Properties Management Trust, a trust governed by the laws of the Province of Ontario, is the sole limited partner of APM LP.

(3) APM LP provides property management and related services on a fee-for-service basis.

(4) Legal title to the Properties is held by 138 wholly-owned Subsidiaries of the REIT and seven corporations that are jointly owned by the REIT and one or more joint venture partners (collectively, the **"Nominee Corporations"**). The Nominee Corporations, 126 of which are incorporated under the laws of the Province of Ontario, 14 of which are incorporated under the laws of the Province of Québec, four of which are incorporated under the laws of the Province of British Columbia and one of which is incorporated under the laws of the Province of Alberta, act as nominee title holders of the Properties.

The REIT employed 241 employees as at December 31, 2017. A large percentage of the REIT's employees are involved in property management and leasing roles. Employees operate from the REIT's various management offices located in British Columbia, Alberta, Ontario and Québec, and through its head office in Toronto, Ontario.

Recent Developments

ACQUISITIONS

During 2017, the REIT acquired the following investment properties:

PROPERTY	ACQUISITION DATE	ACQUISITION COST [1]	OFFICE GLA	RETAIL GLA	TOTAL GLA
456 Wellington W, Toronto [2]	January 5, 2017	$5,393,000	1,939	—	1,939
387-391 Adelaide W, Toronto	January 17, 2017	8,646,000	5,000	6,500	11,500
56 The Esplanade, Toronto	June 20, 2017	62,466,000	56,537	19,575	76,112
The Well, Toronto [3]	October 5, 2017	23,348,000	TBD	TBD	TBD
70 The Esplanade, Toronto	October 10, 2017	17,739,000	19,166	5,767	24,933
28 Atlantic, Toronto	November 16, 2017	5,271,000	10,065	—	10,065
Total		$122,863,000	92,707	31,842	124,549

(1) Purchase price plus transaction costs.

(2) This property will form part of The Well, which is a 50/50 co-ownership between Allied and RioCan Real Estate Investment Trust ("RioCan").

(3) On October 5, 2017, Allied acquired an additional undivided 10% interest in the commercial component of The Well. Each of Allied and RioCan now own an undivided 50% interest in the commercial component of The Well.

For more information about these properties, see "Property Portfolio".

DISPOSITIONS

During 2017, the REIT disposed of the following investment properties:

PROPERTY	DISPOSITION DATE	SALE PRICE	OFFICE GLA	RETAIL GLA	TOTAL GLA
The Metals Building, 10190-104 Street NW, Edmonton	October 30, 2017	$4,130,000	16,736	5,767	22,503
Winnipeg Portfolio	December 20, 2017	25,900,000	322,369	20,714	343,083
Quebec City Portfolio	December 27, 2017	24,000,000	163,575	60,599	224,174
Total		$54,030,000	502,680	87,080	589,760

PUBLIC FINANCING

On August 17, 2017, Allied raised gross proceeds of $300,105,000 through the issuance of 7,695,000 Units at a price of $39.00 per unit. Costs relating to the issuance totaled $12,404,000 and were applied against the gross proceeds of the issuance and charged against Unitholder's equity.

CONSTRUCTION LOAN

Allied had provided a guarantee (limited to $114,000,000) to a Canadian chartered bank to support a $342,000,000 construction lending facility to assist with the financing of construction costs associated with the development of TELUS Sky, in which Allied has a 33.33% joint arrangement interest. The loan matures on August 31, 2019, and bears interest at bank prime plus 70 basis points or banker's acceptance rate plus 195 basis points. Allied's obligation of the balance outstanding under the facility as at December 31, 2017, was $46,758,000.

SENIOR UNSECURED DEBENTURES

On April 21, 2017, Allied issued $200,000,000 of 3.636% Series C unsecured debentures (the **"Series C Debentures"**) due April 21, 2025, with semi-annual interest payments due on April 21 and October 21 of each year commencing October 21, 2017. Debt financing costs of $1,175,000 were incurred and recorded against the principal owing.

UNSECURED TERM LOAN

In 2016, Allied entered into an unsecured term facility of $200,000,000 with a Canadian chartered bank for a term of five years, bearing interest at a floating rate of CDOR plus 1.70% per year (the **"Unsecured Term Facility"**). Subsequently, Allied entered into interest rate swap agreements with a notional amount of $200,000,000 to fix the variable interest rate over the term of the Unsecured Term Facility. A deferred financing cost totaling to $700,000 was incurred and recorded against the principal owing.

Allied drew down on the Unsecured Term Facility in two tranches as follows:

- $100,000,000 on March 16, 2016, the interest rate swap agreement fixed the interest rate to 2.83%;
- $100,000,000 on May 25, 2016, the interest rate swap agreement fixed the interest rate to 2.89%.

Funds from the Unsecured Term Facility were used to fund acquisitions, repay amounts drawn on the Unsecured Facility and for general working capital purposes.

DEVELOPMENT FINANCING

On August 1, 2017, the REIT entered into a credit agreement with an affiliate of Westbank Corp. (**"Westbank"**) to provide a loan facility of up to $100,000,000 plus interest for the land acquisition, pre-development costs and interest thereon for an office project at 400 West Georgia Street, Vancouver. The facility bears interest at a rate between 5% and 6.75% per annum in year one and 6.75% per annum thereafter until maturity. The facility matures August 31, 2022 and has a one year extension option to August 31, 2023 with the interest rate equal to the greater of 6.75% and the prime rate plus 3% per annum. The loan facility is secured by a first charge on the property. The REIT may acquire a 50% interest upon completion of the project and placement of permanent financing. The property is located on West Georgia Street, between Homer Street and Richard Street, and is comprised of 20,922 square feet of land. The loan outstanding as at December 31, 2017 is $67,143,000.

NORMAL COURSE ISSUER BID

On December 19, 2016, Allied received approval from the Toronto Stock Exchange (**"TSX"**) for the renewal of its normal course issuer bid (**"NCIB"**), which entitled Allied to purchase up to 8,306,955 of its outstanding Units, representing approximately 10% of its public float as at December 7, 2016. The NCIB commenced December 22, 2016, and expired on December 21, 2017, in accordance with its terms. During the year ended December 31, 2017, Allied purchased 65,580 Units for $2,283,000 at a weighted average price of $34.81 per Unit under its NCIB program, of which 64,217 were purchased for delivery to participants under the Trust's Restricted Unit Plan and 1,363 were purchased for cancellation.

Property Portfolio

DESCRIPTION OF PROPERTIES

The following is a description of each of the Properties including certain ancillary parking lots, as at the date hereof. In the description below, basements that are partially above ground and that are used as office or retail space are referred to herein as a storey.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
28 Atlantic	10,065	—	—	10,065	100.0%	28 Atlantic is a two-storey restored brick-and-beam office building located on the west side of Atlantic Avenue, south of Liberty Street. The property includes 6 parking stalls and is directly adjacent to the REIT's 32 Atlantic Avenue property.
32 Atlantic	50,434	—	—	50,434	100.0%	32 Atlantic Avenue is a single-storey, restored heritage office building located between Atlantic Avenue and Jefferson Avenue, south of Liberty Street. The property includes 7 surface parking stalls shared with the REIT's 47 Jefferson Avenue property.
47 Jefferson	6,884	—	—	6,884	100.0%	47 Jefferson Avenue is a single-storey, restored heritage office building located between Atlantic Avenue and Jefferson Avenue, south of Liberty Street. The property includes 7 surface parking stalls shared with the REIT's 32 Atlantic Avenue property.
64 Jefferson	78,820	—	—	78,820	100.0%	30, 64, & 70 Jefferson Avenue contains three Class I, brick-and-beam and steel construction office buildings bordering a parking lot. Located directly south of Liberty Street between Pardee Avenue and Jefferson Avenue in Liberty Village, the property has 120 surface parking stalls on 112,709 square feet of land. Built in parts from 1900 to 1950, the property has been renovated and retrofitted to suit the tenant occupying 100% of the complex.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
College & Manning (1)	27,069	4,287	—	31,356	92.3%	The College and Manning joint arrangement is owned on a 50/50 basis by the REIT and RioCan. College and Manning is comprised of 555-563 College Street, Toronto, previously owned by the REIT, and 547 and 549 College Street, Toronto, previously owned by RioCan. It consists of both office and retail space, with surplus land currently utilized for parking. The properties in aggregate have 185 feet of frontage on College Street.
The Castle	129,474	35,628	—	165,102	89.2%	The Castle, which consists of 41, 47, 47A and 53 Fraser Avenue, 135 Liberty Street and 8 Pardee Avenue, is an office complex comprised of six buildings, five of which are restored Class I, brick-and-beam office and retail buildings and one of which is a restored brick-and-concrete office and retail building. Located near the intersection of King Street West and Dufferin Street, the properties have 67 surface parking spaces. Built in 1912 by E.W. Gillett Company for use in the production of Magic Baking Powder, the properties were renovated and retrofitted for office and retail use in 2001 through 2004.
King West	**302,746**	**39,915**	**—**	**342,661**	**94.1%**	
141 Bathurst	10,271	—	—	10,271	100.0%	141 Bathurst Street is a restored, two-storey, Class I, brick-and-beam office building. Located on the east side of Bathurst Street, in the western portion of King West Central, the property has 13 surface parking spaces. Built in 1926 for industrial warehouse purposes, the property has been completely renovated.
159-161 Bathurst	4,000	—	—	4,000	100.0%	159-161 Bathurst Street is a two-storey plus one below grade, brick residential building, located at the corner of Richmond and Bathurst Street. The building was built in 1930 as a wood and concrete structure with a shingle roof.
183 Bathurst	27,185	5,600	—	32,785	100.0%	183 Bathurst Street is a restored, four-storey, Class I, brick-and-beam office and retail building. The property is located on the east side of Bathurst Street, immediately north of Queen Street West.
241 Spadina	26,494	6,675	—	33,169	100.0%	241 Spadina Avenue is a 5-storey restored heritage office building. The property is located on the east side of Spadina Avenue, south of Dundas Street.
379 Adelaide W	36,339	4,300	—	40,639	100.0%	379 Adelaide Street West is a five-storey, Class I, brick-and-beam office and retail building. The property is located on the south side of Adelaide Street, adjacent to the REIT's property at 96 Spadina Avenue.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
383 Adelaide W	7,382	—	—	7,382	100.0%	383 Adelaide Street West is a two-storey, Class I office building. The property is located on the south side of Adelaide Street.
387 Adelaide W	5,000	6,500	—	11,500	100.0%	387 Adelaide Street West is a one storey retail building. The property is located on the south side of Adelaide Street West and is directly adjacent to the REIT's 383 Adelaide Street West property.
420 Wellington W	33,813	3,137	—	36,950	100.0%	420 Wellington Street West is a restored, three-storey, Class I, brick-and-beam office and retail building. Located on the north side of Wellington Street West, west of the intersection with Spadina Avenue, the property has surface parking for three vehicles. Built in 1912 by The Dominion Paper Box Company and home to garment industry tenants for decades, the property was extensively renovated and retrofitted for office and retail use in 2001.
425 Adelaide W	71,139	4,301	—	75,440	100.0%	425 Adelaide Street West is a restored, ten-storey, brick-and-concrete office and retail building. Located on the southeast corner of the intersection of Adelaide Street West and Brant Street, the property has underground parking for 34 vehicles. Built in 1989, the property was renovated in 2001.
425-439 King W	88,440	7,855	—	96,295	100.0%	The Samuel Building, 425-439 King Street West is a restored, seven-storey, Class I, brick-and-beam office and retail building. The property is located on the southwest corner of the intersection of King Street West and Spadina Avenue. Built in 1910 and home to garment industry tenants for decades, the property was extensively renovated and retrofitted for office and retail use in 2000.
441-443 King W	8,415	3,065	—	11,480	100.0%	441-443 King Street West is a restored, three-storey, brick-and-beam office and retail building, located on the south side of King Street West. Built around 1909, the property was renovated in 2006.
445-455 King W	28,144	22,335	—	50,479	100.0%	The Krangle Building, 445-455 King Street West is a restored, five-storey, Class I, brick-and-beam office and retail building. The property is located on the south side of King Street West, west of the intersection with Spadina Avenue. Built in 1910 and home to garment industry tenants for decades, the property was extensively renovated and retrofitted for office and retail use in 2000.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
460 King W	12,934	4,787	—	17,721	100.0%	460 King Street West is a heritage building with approximately 4,220 square feet of developable land. The site is rectangular in shape with 8,960 square feet of area, 70 feet of frontage on King Street West and 128 feet of frontage on Spadina Avenue, Toronto. In 2015, the REIT completed the restoration of the property for retail use at grade and office use above grade. The site is adjacent to a parking lot, comprising 24 parking spaces, located at 78 Spadina.
461 King W	43,771	37,320	—	81,091	100.0%	461 King is a tier-one Class I building situated on 40,152 square feet of land and is comprised of 35 surface parking spaces on the ancillary land. The acquisition of this property completes an approximately 4.5 acre assembly immediately north of the REIT's co-owned The Well property.
468 King W	65,027	—	—	65,027	100.0%	468 King Street West is a restored, seven-storey, Class I, brick-and-beam office building. Located on the north side of King Street West, west of the intersection with Spadina Avenue, the property is comprised of 65,027 square feet of GLA. Built in 1910 and home to the Ontario Cabinet & Furniture Works for decades, the property was extensively renovated and retrofitted in 1999 for office and retail use, though currently it is leased solely for office use.
469 King W	65,339	11,676	—	77,015	100.0%	469 King Street West is a restored, five-storey, Class I, brick-and-beam office and retail building. Located on the south side of King Street West, west of the intersection with Spadina Avenue, the property has eight surface parking spaces. Built in 1903, the property was extensively renovated and retrofitted for office and retail use in 1999 and 2000.
478 King W (2)	—	3,277	—	3,277	100.0%	478 King Street West is comprised of: (i) an undivided 50% interest in land developed as 130 underground commercial parking spaces constructed as part of the Victory Lofts condominium project at 478 King Street West, Toronto, which is adjacent to three of the REIT's properties, 468 King Street West, 500-522 King Street West and the King-Brant underground commercial parking structure; and (ii) an undivided 50% interest in the retail component of Victory Lofts.
485 King W	8,304	4,035	—	12,339	100.0%	485 King Street West is a heritage property located between 469 King Street West and the three properties (489, 495 and 499 King Street West) that form the REIT's King & Spadina intensification project. In 2016, the REIT completed the restoration of the property for retail use at grade and office use above grade.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
489 King W	21,421	4,850	—	26,271	100.0%	489 King Street West is a restored, five-storey, Class I, brick-and-beam office and retail building. Located on the south side of King Street West, west of Spadina Avenue and east of Portland Street, the property has 13 parking spaces shared with 495 King Street West. Built in 1925, the property was extensively renovated and retrofitted for office and retail use in the mid-1980s and 1990s.
495 King W	10,684	—	—	10,684	100.0%	495 King Street West is a restored, three-storey, Class I, brick-and-beam office building. Located on the south side of King Street West, west of Spadina Avenue and east of Portland Street, the property has five surface parking spaces. Built in 1915, the property was extensively renovated and retrofitted for office and retail use in the mid-1980s and 1990s.
499 King W	—	8,400	—	8,400	100.0%	499 King Street West is a restored, one-storey, Class I, brick-and-beam retail commercial building. Located on the south side of King Street West, west of Spadina Avenue and east of Portland Street, the property has 12 parking spaces. Built in 1960, the property was extensively renovated and retrofitted for office and retail use in 2008.
500-522 King W	82,133	43,079	—	125,212	100.0%	500-522 King Street West is a restored, four-storey, Class I, brick-and-beam office and retail building. Located on the northeast corner of the intersection of King Street West and Brant Street, the property has three surface parking spaces. Built in 1872 and expanded in the early 1890s to house the Gurney Stove Factory, the property was extensively renovated and retrofitted for office and retail use in 2000 and 2001.
511-529 King W	37,309	11,477	—	48,786	86.3%	511-529 King Street West is a four-storey, heritage designated, brick-and-beam office building and three-storey brick-and-beam office building with retail at grade. The property is located on the south side of King Street West between Spadina Avenue and Portland Street, at Brant Street.
552-560 King W	8,019	16,696	—	24,715	100.0%	552-560 King Street West is a fully restored heritage building, with ground floor retail and two floors of office space. The property is located on the north side of King Street West between Brant Street and Portland Street.
539 King W	12,750	—	—	12,750	100.0%	539 King Street West is a three-storey office building. Located on the south side of King Street West between Spadina Avenue and Portland Street at Brant Street, the property has 107 parking spaces.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
544 King W	17,006	—	—	17,006	100.0%	544 King Street West and 1-9 Morrison Street is a brick-and-beam office and retail building in the King West Central sub-market. The property is located on the north side of King Street West, just west of Brant Street. This property is adjacent to another property, 1-9 Morrison Street, which has 25 parking spaces.
555 Richmond W	254,838	41,580	—	296,418	100.0%	555 Richmond Street West is a 12-storey office and retail building. Located on the south side of Richmond Street West through to the north side of Adelaide Street West, the property includes 220 underground parking spaces and 38 surface parking spaces on 21,000 square feet of developable land.
579 Richmond W	28,515	—	—	28,515	100.0%	579 Richmond Street West is a restored, five-storey, Class I, brick-and-beam office building. The property is located on the south side of Richmond Street West near the intersection of Bathurst Street. Built in 1931, the property has been fully renovated.
589-591 Richmond W	2,000	—	—	2,000	100.0%	589-591 Richmond West contains a two-storey residential building with a brick-and-wood composition. The building is located on the corner of Richmond and Bathurst Street. Built in 1930, the property is comprised of 2,000 square feet of GLA and is 100% leased.
662 King W	31,042	2,126	—	33,168	100.0%	662 King Street West is a restored, four-storey, Class I, brick-and-beam office and retail building. The building is located on the north side of King Street West, just east of the intersection with Bathurst Street. Built in 1941, the property was renovated in the 1980s.
80-82 Spadina	60,102	16,009	—	76,111	100.0%	80-82 Spadina Avenue is a five-storey, Class I, brick-and-beam office and retail building. The building is located on the west side of Spadina Avenue, adjacent to 78 Spadina Avenue and the REIT's property at 96 Spadina Avenue. Built in 1912, the property was renovated in the 1980s and in 2010.
96 Spadina	80,309	9,936	—	90,245	100.0%	96 Spadina Avenue is a nine-storey, Class I office building. The building is located on the southwest corner of Spadina Avenue and Adelaide Street West. The property is a high-quality brick-and-concrete structure that was partially renovated in the 1990s.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
King Portland Centre, 602 King W (1)	18,811	12,768	—	31,579	99.2%	The King and Portland joint arrangement is owned on a 50/50 basis by the REIT and RioCan. King and Portland is comprised of 602-606 King Street West, Toronto, previously owned by the REIT, and 620 and 622A King Street West, 499-505 Adelaide Street West, 106 Portland Street, and 1 and 11 Adelaide Place. The residential condominium component of King and Portland consists of 501 & 503 Adelaide Street West. See Properties Under Development table for an update on the development component of the King and Portland joint arrangement.
King West Central	**1,206,936**	**291,784**	**—**	**1,498,720**	**99.5%**	
116 Simcoe	15,637	—	—	15,637	100.0%	116 Simcoe Street is a restored, four-storey, Class I, brick-and-beam office building. The building is located on the north-west corner of Adelaide Street West and Simcoe Street, just to the west of University Avenue and the Financial Core. Built in 1971 for office purposes, the property has since been renovated.
179 John	69,843	—	—	69,843	100.0%	179 John Street is an eight-storey, Class I, brick-and-beam office building. Located on the east side of John Street, just north of Queen Street West, the property has 14 surface parking spaces. The property was renovated in the 1990s.
185 Spadina	55,814	—	—	55,814	100.0%	185 Spadina Avenue is a restored, seven-storey, Class I, brick-and-beam office building. The building is located on the east side of Spadina Avenue, just to the north of Queen Street. Built in 1916, the property was extensively renovated and retrofitted for office use in 1997.
200 Adelaide W	26,685	—	—	26,685	100.0%	200 Adelaide Street West is a restored, six-storey, Class I, brick-and-beam office building. The building is located on the north side of Adelaide Street West, just to the west of University Avenue and the Financial Core. Built in 1933 for industrial warehouse purposes, the property has been completely renovated.
208-210 Adelaide W	11,592	—	—	11,592	100.0%	208-210 Adelaide Street West is a restored, four-storey, Class I, brick-and-beam office building. The building is located on the north side of Adelaide Street West, just to the west of University Avenue and the Financial Core. Built in 1910 for industrial warehouse purposes, the property has been completely renovated.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
217-225 Richmond W	31,820	21,987	—	53,807	100.0%	The Gelber Building, 217-225 Richmond Street West is a restored, six-storey, Class I, brick-and-beam office and retail building. The building is located on the southwest corner of the intersection of Richmond Street West and Duncan Street. Built in the 1920s, the property was renovated and retrofitted for office and retail use in the 1980s.
257 Adelaide W	46,018	—	—	46,018	100.0%	257 Adelaide Street West is a seven-storey, Class I, brick-and-beam office building. The building is located in the Entertainment District of downtown Toronto. Built in the 1900s, with an addition in the 1910s, the property was renovated in the 1980s.
312 Adelaide W	62,825	8,015	—	70,840	100.0%	312 Adelaide Street West is a restored, eight-storey, Class I, brick-and-beam office and retail building. The building is located on the north side of Adelaide Street West, in the western portion of the Entertainment District. Built in 1895 for industrial warehouse purposes, the property has been completely renovated.
331-333 Adelaide W	19,632	3,724	—	23,356	100.0%	The Fremes Building, 331-333 Adelaide Street West is a restored, six-storey, Class I, brick-and-beam office and retail building. The building is located on the southwest corner of the intersection of Adelaide Street West and Peter Street. Built in 1925 and home to the Ontario Clock Company for decades, the property was renovated and retrofitted for office and retail use in 1987 and further renovated in 1999.
358-360 Adelaide W	52,405	—	—	52,405	100.0%	The Weld Building, 358-360 Adelaide Street West is a restored, six-storey, Class I, brick-and-concrete office and retail building. The building is located on the north side of Adelaide Street West, west of the intersection with Peter Street. Built in 1920 and home to The Bryant Press for decades, the property was extensively renovated and retrofitted for office and retail use in 1999.
375-381 Queen W	22,104	10,648	—	32,752	100.0%	375-381 Queen Street West is a three-storey, Class I, brick-and-beam office and retail building. Located on the southwest corner of the intersection of Queen Street West and Peter Street, the property has 4,381 square feet of developable land with parking for five vehicles.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
388 King W	28,659	15,012	—	43,671	94.8%	388 King Street West is a restored, three-storey, Class I, brick-and-concrete office and retail building. Located on the northwest corner of the intersection of King Street West and Peter Street, the property has surface parking for nine vehicles. Built in the 1930s and home to garment industry tenants for decades, the property was extensively renovated and retrofitted for office use in the 1980s and again for office and retail use in 1999.
82 Peter	39,288	8,287	—	47,575	100.0%	82 Peter Street is a restored, six-storey, Class I, brick-and-beam office and retail building. Located on the west side of Peter Street, just north of 388 King Street West, the property has surface parking for 14 vehicles. Built in 1928 and home to garment industry tenants for decades, the property was extensively renovated and retrofitted in 1999 for office and retail use.
99 Spadina	51,708	—	—	51,708	100.0%	99 Spadina Avenue is a restored, seven-storey, Class I, brick-and-beam office and retail building. The building is located on the east side of Spadina Avenue, just to the north of the intersection with King Street West. Built in 1910, the property was extensively renovated and expanded for office and retail use in 2000 and 2001.
Union Center	11,332	29,239	—	40,571	90.8%	Union Center, 20 York Street is a three-storey mixed-use building, located south of Front Street between Simcoe Street and York Street. It includes retail and above-grade pedestrian connectivity to Union Station, along with excess developable land.
QRC West Phase I	336,203	11,358	—	347,561	100.0%	QRC West is a large-scale intensification project completed in 2016. It involves the restoration of two existing five-storey Class I buildings, 134 Peter Street and 364 Richmond Street West, along with the addition of a new 10-storey LEED-certified modern office tower.
Entertainment District	**881,565**	**108,270**	**—**	**989,835**	**99.4%**	
193 Yonge	34,349	16,318	—	50,667	100.0%	The Heintzman Building, 193 Yonge Street is a restored, eight-storey, Class I, brick-and-beam building. Located on the east side of Yonge Street, across from the Eaton Centre and south of Dundas Square, the property has 22 underground parking spaces. Built in 1903, the property was renovated in 1986 and 1999. The property is designated under the Ontario Heritage Act.
Downtown	**34,349**	**16,318**	**—**	**50,667**	**100.0%**	

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
56 Esplanade	57,381	19,575	—	76,956	97.9%	56 The Esplanade is a five-storey restored brick-and-beam structure with retail tenancies at grade and office above. The property is located on the north side of The Esplanade, east of Yonge Street and west of Church Street and is directly south of 35 - 49 Front Street East.
70 Esplanade	19,166	5,767	—	24,933	100.0%	70 The Esplanade is a four-storey restored brick-and-beam structure with retail tenancies at grade and office above. The property is located on the north side of The Esplanade, east of Yonge Street and west of Church Street and is directly south of 35 - 49 Front Street East.
106 Front E	24,347	10,373	—	34,720	88.3%	106 Front Street East is a four-storey, Class I office and retail property. Located on the north-west corner of Front Street East and George Street in the Downtown East sub-market in Toronto, the property has 16 surface parking spaces. The property was constructed in 1890 and renovated and retrofitted for office and retail use in the late 1980s and late 1990s.
35-39 Front E	39,216	13,804	—	53,020	100.0%	The Beardmore Building, 35-39 Front Street East is a restored, four-storey, Class I, brick-and-beam office and retail building. Located on the south side of Front Street East, east of the intersection with Yonge Street, the property has seven underground parking spaces. Built in 1872, the property was extensively renovated and retrofitted for office and retail use in 1986 and further renovated in 1991. This property has been designated by the City of Toronto as having historical and architectural value.
36-40 Wellington E	16,642	9,893	—	26,535	100.0%	36-40 Wellington Street East is a restored, three-storey, Class I, brick-and-beam office and retail property. The property is located on the north side of Wellington Street East, east of Yonge Street in the Downtown East sub-market in Toronto.
41-45 Front E	28,503	14,079	—	42,582	100.0%	The Perkings/Dixon Building, 41-45 Front Street East is a restored, four-storey, Class I, brick-and-beam office and retail building. The building is located on the south side of Front Street East, just east of The Beardmore Building. Built in 1875, the property was extensively renovated and retrofitted for office and retail use in 1985 and further renovated in 1991. This property has been designated by the City of Toronto as having historical and architectural value.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
45-55 Colborne	28,571	13,986	—	42,557	95.2%	45-55 Colborne Street is a four-storey, Class I office building. The building is located on the south side of Colborne Street, west of Church Street, adjacent to 50 Wellington Street East. Designed by E.J. Lennox and built in 1888, the property is designated as being historically significant.
49 Front E	9,370	10,441	—	19,811	100.0%	49 Front Street East is a restored, four-storey, Class I, brick-and-beam office and retail building. The building is located on the south side of Front Street, east of Church Street.
50 Wellington E	22,001	11,049	—	33,050	100.0%	50 Wellington Street East is a restored, five-storey, Class I, brick-and-beam office building. The building is located on the north side of Wellington Street East, just west of Church Street. Built in the early 1900s, the property was extensively renovated for office use in the 1980s and in the 1990s.
60 Adelaide E	106,724	4,608	—	111,332	99.7%	60 Adelaide Street East is a 14-storey, Class I office and retail building. Located on the north side of Adelaide Street, between Yonge and Church Streets, the property has 18 underground parking spaces.
184 Front E	81,166	6,489	—	87,655	100.0%	184 Front Street East is an eight-storey, Class I office and retail building with a leasehold interest. Located on the northeast corner of Front and Princess Streets, the property has 54 underground parking spaces. The leasehold interest in the property expires in 2091, subject to a right of extension in the event of redevelopment.
St. Lawrence Market	**433,087**	**120,064**	**—**	**553,151**	**98.5%**	
204-214 King E	126,375	2,699	—	129,074	96.9%	204-214 King Street East is a restored, seven-storey, Class I office and retail building. Located on the north side of King Street East, east of Jarvis Street, the property has access to 50 underground parking spaces. Built in 1908, the property was extensively renovated and retrofitted for office use in the 1990s.
230 Richmond E	72,787	—	—	72,787	100.0%	230 Richmond Street East is a restored, four-storey, Class I, brick-and-beam office building. Located on the north side of Richmond Street East, to the east of the intersection with Jarvis Street, the property has surface parking for 23 vehicles. Built in 1909, the property was extensively renovated and retrofitted for office use in 2000.
252-264 Adelaide E	48,002	—	—	48,002	100.0%	252-264 Adelaide Street East is a four-storey, Class I office building. The building is located on the north side of Adelaide Street East, just east of Jarvis Street. Built between 1827 and 1926, and renovated in the 1980s, the property is a heritage structure.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
489 Queen E	32,434	—	—	32,434	100.0%	489 Queen Street East is a restored, four-storey, Class I, brick-and-beam office building. Located on the south east corner of Queen Street East and Sumach Street, in the eastern portion of the Queen-Richmond East District, the property has 22 surface parking spaces. Built in 1890 for industrial warehouse purposes, the property has been completely renovated.
70 Richmond	35,201	—	—	35,201	100.0%	70 Richmond Street East is a restored, five-storey, Class I office building. The building is located on the north west corner of Richmond Street East and Church Street. Built in 1908, the property was extensively renovated and retrofitted for office use in the 1990s.
Dominion Square	111,649	—	—	111,649	97.4%	Dominion Square, 464, 468 and 478-496 Queen Street East is comprised of seven integrated four-storey Class I office and retail structures. Located on the north side of Queen Street East, east of Parliament Street in the Downtown East sub-market in Toronto, the property has 147 surface parking spaces. The property was constructed in 1878 and renovated in 1992.
QRC East	185,463	35,349	—	220,812	96.5%	QRC East, which consists of 99-123 Queen Street East and 92-114 Richmond Street East is a restored, six-storey, Class I, brick-and-beam office and retail building. The building is located on the north side of Richmond Street East, just west of Jarvis Street. Built between 1870 and 1910, the property was renovated and retrofitted for office and retail use in 2000.
QRC South	44,024	—	—	44,024	100.0%	QRC South, which consists of 103 Richmond Street East, is a four-storey, Class I, brick-and-beam building. The building is located on the south side of Richmond Street East. Built in the early 1900s, the property is an amalgamation of three buildings reportedly joined in 1971, which included the laneway which formerly separated the building. When the property was acquired in November 2005, less than 40% of the GLA was occupied. The REIT redeveloped this property as an annex to The Queen Richmond Centre in 2006.
Queen Richmond	**655,935**	**38,048**	**—**	**693,983**	**97.9%**	
Toronto	**3,514,618**	**614,399**	**—**	**4,129,017**	**98.6%**	
72 Victoria	91,421	—	—	91,421	97.5%	72 Victoria Street is a five-storey, Class I office property. Located on the south-east corner of Victoria Street and Joseph Street in the Warehouse District of downtown Kitchener, the property has approximately 226 surface parking spaces. Built in 1900, the property was renovated in 1999.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
Breithaupt Phase I [3]	66,559	—	—	66,559	100.0%	The Breithaupt Block, which consists of 20-24 & 51 Breithaupt Street, is an equal two-way joint arrangement between the REIT and Perimeter Development Corporation. The property was initially comprised of six former industrial buildings in the Warehouse District of Kitchener. The Breithaupt Block, Phase I, was completed September 30, 2014.
Breithaupt Phase II [3]	46,846	—	—	46,846	100.0%	The Breithaupt Block is an equal two-way joint arrangement between the REIT and Perimeter Development Corporation. The property was initially comprised of six former industrial buildings in the Warehouse District of Kitchener with approximately 176,000 square feet of space and two acres of developable land. The Breithaupt Block, Phase II, became a rental property in the second quarter of 2016.
The Tannery	257,207	73,779	—	330,986	99.3%	The Tannery, which consists of 121 & 151 Charles Street and 101 Victoria Street South, is a restored, Class I, brick-and-beam complex. Located in close proximity to the REIT's properties at 72 Victoria Street and 20-24 & 51 Breithaupt Street, the property has 340 surface parking spaces. Built in 1894, the property underwent a large scale redevelopment in 2010.
Kitchener	**462,033**	**73,779**	**—**	**535,812**	**99.1%**	
Central Canada	**3,976,651**	**688,178**	**—**	**4,664,829**	**98.7%**	
The Chambers	208,834	12,223	—	221,057	100.0%	The Chambers, 40-46 Elgin Street is comprised of four contiguous structures, three of which are heritage buildings and the fourth of which is a 14-storey office building. Located on the southwest corner of Sparks and Elgin, just west of Confederation Square and a half-block south of the Parliament Buildings, the property has 144 underground parking spaces.
Ottawa	**208,834**	**12,223**	**—**	**221,057**	**100.0%**	
3510 Saint-Laurent	85,977	16,223	—	102,200	94.2%	3510 Saint-Laurent is located on the northwest corner of the intersection of Saint-Laurent Boulevard and Milton Street and across the street from Allied's 3575 Saint-Laurent. This is a class I office and retail property that has 72 interior parking spaces. The integrated buildings on the property were built between 1920 and 1995 and fully renovated in 1996.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
3575 Saint-Laurent	167,954	18,410	—	186,364	83.6%	The Balfour Building, 3575 Saint-Laurent Boulevard is a restored, ten-storey, Class I, brick-and-concrete office and retail building. Located to the east of Montréal's downtown core in the Downtown East submarket and to the north of the Old Montréal submarket, the property has 38 underground parking spaces. Built in 1929 for light industrial use, the property was renovated and retrofitted for office and retail use in 1985 and 1995.
400 Atlantic	86,582	292	—	86,874	85.8%	400 Atlantic Avenue is a restored, ten-storey, Class I, brick-and-concrete office building. Located on the northern edge of the Plateau Mont Royal District, immediately to the east of the proposed site for the new University of Montréal campus, the property has approximately 17 parking spaces. Built in 1920, the property was renovated in 2003 and 2004.
425 Viger W	205,201	820	—	206,021	99.6%	425 Viger Avenue West is a restored, 11-storey, Class I, brick-and-concrete office and retail building. The building is located just north of Old Montréal. Built in 1915, the property was renovated in 1981-1982 and 1992-1993. The property includes 12,000 square feet of excess land that allows for future intensification of the site.
4446 Saint-Laurent	73,206	7,281	—	80,487	90.4%	4446 Saint-Laurent Boulevard is a restored, nine-storey, Class I, brick-and-concrete office and retail building. Located in downtown Montréal, the property has 24 underground parking spaces, 14 surface parking spaces and 5,500 square feet of adjacent land that forms the southwest corner of Saint-Laurent Boulevard and Mount-Royal Avenue. Built in 1915, the property was renovated in 1989.
451-481 Saint-Catherine	22,341	8,475	—	30,816	89.7%	451-481 Saint Catherine Street West is comprised of two restored, three-storey, brick-and-beam office and retail buildings acquired in February 2007 with a 98-year leasehold interest. The property is located on the north side of Saint Catherine Street West, near the intersection with McGill College Avenue. Built in 1928, the property was renovated in 2005.
480 Saint-Laurent	46,682	7,165	—	53,847	59.6%	480 Saint-Laurent Boulevard is located on the southwest corner of the intersection of Saint-Laurent Boulevard and Notre-Dame Street and in the heart of Old Montréal. It is a Class I office and retail property with 75 interior parking spaces. The principal building on the property was built in 1992 and was integrated with Cullivier-Ostell House, a fully restored three-storey greystone building built in 1836.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
5445 Gaspé	479,457	955	—	480,412	95.7%	5445 Avenue de Gaspé is an 11-storey, Class I office building. Located on the east side of Avenue de Gaspé, Montréal in close proximity to the REIT's 5455 Avenue de Gaspé property, the property has 133 underground parking spaces. The REIT completed building-wide redevelopment in 2015.
5455 Gaspé	487,364	750	—	488,114	96.4%	5455 Avenue de Gaspé is a 12-storey, Class I office property. Located on the east side of Gaspé Avenue, in close proximity to the REIT's 5505 Saint-Laurent Boulevard property, the property has 133 underground parking spaces and 20,450 square feet of ancillary land.
5505 Saint-Laurent	252,453	2,524	—	254,977	100.0%	The Peck Building, 5505 Saint-Laurent Boulevard is a restored, five-storey, Class I, brick-and-concrete office building, located in downtown Montréal. Built in 1903 and the mid-1900s, the property was renovated in the late 1990s and in 2005.
6300 Parc	181,207	673	—	181,880	90.6%	6300 Avenue du Parc is a restored, six-storey, Class I, brick-and-concrete office and retail building. Located on the northern edge of the Plateau Mount Royal District, just south of 400 Atlantic Avenue, and just east of the Outremont Triage, the site for the new University of Montréal campus, the property has 56 surface parking spaces and 35 underground parking spaces. Built in 1927 with additions in 1949 and 1957, the property was renovated between 1987 and 1990. The property has undergone significant upgrade activity between 2014 and 2016.
645 Wellington	137,773	3,773	—	141,546	100.0%	645 Wellington Street West is a four-storey, Class I, brick-and-beam office building. The building is located on the north side of Wellington Street, just east of the REIT's Cité Multimédia property. The property was built between 1870 and 1911.
740 Saint-Maurice	67,967	—	—	67,967	61.9%	740 Saint-Maurice Street is located on the southeast corner of the intersection of Saint-Maurice and Dupré Streets and in relatively close proximity to Allied's Cité Multimédia. It is a Class I office property and has 40 interior parking spaces. The building on the property was built in 1910 as a brewery and was fully renovated in 1990.
8 Place du Commerce	40,702	16,521	—	57,223	94.2%	8 Place du Commerce is a conventional office property located on the north side of Place du Commerce Street on Nun's Island. The property was built in 1986 and has 193 surface parking spaces.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
85 Saint-Paul	80,203	—	—	80,203	98.2%	85 Rue St. Paul, Montréal is a five-storey, Class I building. Located on the northeast corner of Rue St. Paul and Rue St. Sulpice, the property has 25 underground parking spaces. Built in 1861, the property was renovated and upgraded in 2001.
Cité Multimédia	939,739	14,225	—	953,964	96.1%	Cité Multimédia is a portfolio of six office properties. It is comprised of buildings at: 111 Duke Street; 50 Queen Street; 700 Wellington Street; 75 Queen Street; 80 Queen Street; and 87 Prince Street.
Le Nordelec	784,097	19,914	—	804,011	96.3%	Le Nordelec is one of the largest and finest Class I buildings in Canada. Located at the intersection of Griffintown, Point-Saint-Charles and the Lachine Canal, the property has 520 surface and interior parking spaces. The property was built in several phases between 1913 and 1948 for the Northern Electric Company.
Montréal	**4,138,905**	**118,001**	**—**	**4,256,906**	**94.5%**	
Eastern Canada	**4,347,739**	**130,224**	**—**	**4,477,963**	**94.7%**	
100-6th SW	34,242	—	—	34,242	100.0%	100 6th Avenue SW (formerly the Chamber of Commerce Building) is a four-storey, Class I, brick-and-beam office building. The building is located on the northwest corner of 6th Avenue SW and Centre Street SW, in close proximity to the REIT's Lougheed Building and Telephone Building.
119-6th SW	63,064	—	—	63,064	100.0%	The Telephone Building, 119 6th Avenue SW, two conjoined buildings, is comprised of a two-storey and four-storey, Class I office building. Located adjacent to the REIT's Lougheed Building, the property has 27 underground parking spaces. Built in the 1920s and known initially as the Alberta Government Telephones Building or the AGT Building, the two buildings on the property were integrated and extensively restored and renovated in 2006.
1207-1215 13th SE	32,738	—	—	32,738	100.0%	The Woodstone Building, 1207 & 1215 13th Street SE is a two-storey, Class I office building. Located in Inglewood, at the far eastern edge of the Beltline, the property has 20 surface parking spaces. Built in 1911 as a wood mill, the property was extensively restored and renovated for office use in 2009. The property is on the Inventory of Evaluated Historic Resources maintained by the City of Calgary.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
1240-20th SE	45,157	—	—	45,157	100.0%	LocoMotive Building, 1240 20th Avenue SW is a three-storey, Class I building. Located in Inglewood, in close proximity to the REIT's Woodstone Building, the property has 84 surface parking spaces. Built in 1905 for Standard Soap Co., the property was extensively restored and expanded for office use in 2007. The Property is on the Inventory of Evaluated Historic Resources maintained by the City of Calgary.
129-8th SW	3,068	4,591	—	7,659	100.0%	Young Block (formerly The Bang & Olufsen Building), 129 8th Avenue SW is a three-storey office and retail building. Located amidst well restored heritage properties on Calgary's Stephen Avenue Mall, the property has three surface parking spaces.
209-8th SW	26,872	5,022	—	31,894	67.0%	209-8th Avenue SW is a restored, six-storey heritage building. Located on Stephen Avenue Mall, immediately west of Fashion Central, the property has four surface parking spaces. Built in 1910 as one of several business blocks, the property was extensively restored and renovated between 1998 and 2000. It is on the Inventory of Evaluated Historic Resources maintained by the City of Calgary.
237-8th SE	67,215	8,581	—	75,796	94.5%	Burns Building, 237-8th Avenue SE is a six-storey, Class I complex. In August 2012, the REIT acquired a leasehold interest in the Burns Building. The lease is for a 32 year term and has a 60 year renewal option, with rent payable at a fixed amount per year, escalating every seven years starting in 2019 based on increases in fair market value. Built in 1912, the building was renovated in 1991 and 2013.
322-326 11th SW	198,830	15,660	—	214,490	89.7%	Vintage I and Vintage II, 322-326 11th Avenue SW is a Class I office complex. Located on the north side of 11th Avenue SW, between 4th and 1st Streets, the complex is comprised of two 8-storey buildings integrated through a two-storey entrance and includes 210 parking spaces. Vintage I was built in 1924 and was renovated and expanded in 1999. Vintage II was built in 2004 on the eastern portion of the original site.
402-11th SE	40,116	—	—	40,116	72.0%	The Pilkington Building, 402-11th Avenue SE is a four-storey, Class I building. Located on northeast corner of 11th Avenue SE and 3rd Street SE, the property has 44 surface parking spaces. Built in 1913, the building was renovated and upgraded in 2001.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
438-11th SE	52,489	—	—	52,489	100.0%	The Biscuit Block, 438-11th Avenue SE is a five-storey, Class I building. Located on the northwest corner of 11th Avenue SE and 4th Street SE, the property has eight surface parking spaces and 30 underground parking spaces. Built in 1912, the building was extensively renovated and upgraded in 2012 and 2013.
601-611 10th SW	47,096	2,592	—	49,688	89.2%	Kipling Square, 601-611 10th Avenue SW is comprised of a two-storey, Class I, brick-and-beam office building with a three-storey addition. Located in Calgary's Beltline area on the southwest corner of 10th Avenue and 5th Street, the property has 18 surface parking spaces. Built in the early 1900s as a warehouse, the property was extensively restored and renovated in 1981. It is on the Inventory of Evaluated Historic Resources maintained by the City of Calgary.
603-605 11th SW	22,050	29,207	—	51,257	71.3%	The Roberts Block, 603-605 11th Avenue SW is a Class I, brick-and-beam office and retail building. Located in Calgary's Beltline area on the southwest corner of 11th Avenue SW and 5th Street SW, the property has six above ground parking spaces. Built in 1912 to house three different distribution businesses, the building on the property was extensively restored and renovated in the late 1990s. It is on the Inventory of Evaluated Historic Resources maintained by the City of Calgary.
613-11th SW	—	3,163	—	3,163	100.0%	613-11th Avenue SW is a one-storey, Class I building. The building is located on the south side of 11th Avenue SW, immediately west of the REIT's property at 603-605 11th Avenue SW.
617-11th SW	2,986	6,306	—	9,292	93.2%	617-11th Avenue SW is a three-storey, Class I building. Located on the south side of 11th Avenue SW between its properties at 613 and 625 11th Avenue SW, the property has 14 surface parking spaces.
625-11th SW	33,992	1,410	—	35,402	45.9%	Atrium on Eleventh, 625-11th Avenue SW is a three-storey, Class I building. Located on the south side of 11th Avenue SW, one property west of 613 11th Avenue SW, the property has 52 parking spaces in a two-storey parkade. Built in 1980, the building was renovated in 2010.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
805-1st SW	11,709	18,767	—	30,476	83.3%	Fashion Central, 805-1st Street SW is a restored, three-storey, Class I heritage building. The building is located on Calgary's Stephen Avenue Mall, across the street from the Alberta Hotel Building. Built in the early 1900s as three separate buildings (the Hull Block, the McNaughton Block and the Alberta Block), the property was extensively restored and renovated in 2008 and 2009. It is on the Inventory of Evaluated Historic Resources maintained by the City of Calgary.
808-1st SW	17,224	30,244	—	47,468	79.0%	Alberta Hotel Building, 808-1st Street SW is a restored, four-storey, Class I heritage building. The building is located on Calgary's Stephen Avenue Mall. Built in 1889 and 1901 as a hotel, the property was extensively restored and renovated in 1972 and 1997. It is designated by the Province of Alberta as a historic resource under the Historical Resources Act.
809-10th SW	35,742	—	—	35,742	85.1%	Cooper Block, 809-10th Avenue SW is a six-storey, Class I office building. Located in Calgary's Beltline area on 10th Avenue, the property has 34 parking spaces. Built in 1913 as a warehouse for the Calgary Paint and Glass Factory and later used by the Canadian Army as a munitions building, the property was extensively restored and renovated in 1995. It is on the Inventory of Evaluated Historic Resources maintained by the City of Calgary.
816-838 11th SW (4)	9,990	13,993	—	23,983	91.1%	816–838 11th Avenue SW Joint Venture is owned on a 50/50 basis by the REIT and First Capital Realty Inc., collectively known as the GM-Glenbow buildings, is comprised of three buildings in Calgary's beltline. 816 11th Avenue SW, the Annex building, is a one-storey well restored heritage structure with two ground floor retail units and includes three surface parking stalls. 822 11th Avenue SW, the Glenbow building, built in 1921 and originally an Alberta Government Telephones warehouse, is a three-storey well restored heritage structure with retail at grade and office above. The building has four parking stalls directly behind the property with parking stalls for office tenants in the shared parking lot at 830 11th Avenue SW 838 11th Avenue SW, the Cornerblock building, built in 1930, was originally the General Motors company warehouse until the 1950s. It is a two-storey restored heritage structure with retail at grade and office above. The building has two parking stalls directly behind the property and parking stalls for office and retail in the shared lot of 830 11th Avenue SW.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
Demcor Building	39,922	—	—	39,922	33.9%	Demcor Building is made up of two distinct buildings. 239-10th Avenue SE is a restored, three-storey, Class I office building originally built in 1906. Located on the southwest corner of 10th Avenue SE and Macleod Trail SE, the property has 43 underground parking spaces. 221-10th Avenue SE is a commercial condominium that is part of an adjacent condominium building that was constructed in 2005.
Calgary	**784,502**	**139,536**	**—**	**924,038**	**85.2%**	
Boardwalk & Revillon Building	225,934	45,442	—	271,376	99.1%	The Boardwalk & Revillon Building, 10310 102nd Street NW is a Class I property comprised of a six-storey, one-storey and four-storey building connected by an atrium. Located at the western edge of Edmonton's financial core, on the north side of 102nd Avenue between 103rd and 104th Streets, the property has 224 parking spaces in an adjacent, six-storey, above-ground parkade.
Edmonton	**225,934**	**45,442**	**—**	**271,376**	**99.1%**	
128 West Pender	78,224	1,693	—	79,917	88.6%	The Sun Tower Building, 128 West Pender Street is a 17-storey, restored heritage building. The building is located in Crosstown (between Yaletown and Gastown) at the intersection of West Pender and Beatty Streets. Built in 1912, the building was extensively restored, renovated and re-leased in 2010 and 2011. It is designated by the City of Vancouver as a Class A Heritage Property.
840 Cambie	91,824	—	—	91,824	100.0%	840 Cambie Street, two conjoined buildings, is comprised of a four-storey and a five-storey brick-and-beam building. Located in Vancouver's Yaletown on Cambie Street, near the intersection with Robson Street, the property includes access to 20 parking spaces.
948-950 Homer	34,473	10,399	—	44,872	100.0%	948-950 Homer Street is a four-storey, Class I office and retail building. Located in Yaletown on the east side of Homer Street, the property includes seven surface parking spaces.
1040 Hamilton	36,108	8,765	—	44,873	100.0%	1040 Hamilton Street is a restored, four-storey, Class I, brick-and-beam building. Located on the south side of Hamilton Street and extending through to and having frontage on Mainland Street in close proximity to the REIT's property at 948-950 Homer Street, the property includes 27 parking spaces. Built in 1920 for a paper company, the building was redeveloped for office and retail use in 1988.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
1286 Homer	15,919	9,115	—	25,034	100.0%	1286 Homer Street is a restored, four-storey, Class I, brick-and-beam building. The building is located on the south side of Homer Street and extending through to and having frontage on Hamilton Street, in close proximity to the REIT's property at 840 Cambie Street. Built in 1910 for warehouse purposes, the building was redeveloped for office and retail use in 1989.
Vancouver	**256,548**	**29,972**	**—**	**286,520**	**96.8%**	
Western Canada	**1,266,984**	**214,950**	**—**	**1,481,934**	**90.0%**	
905 King W	—	—	110,979	110,979	78.9%	905 King Street West is a seven-storey, brick-and-concrete office, retail and office technology building. Located west of the intersection of King Street and Bathurst Street, the property also has 118 underground parking spaces. Built in 1987, the property features raised floors and has significant electrical power and cooling capacity and is able to accommodate additional mechanical and cooling upgrades. The upgrade of the fibre-optic cable connection to 151 Front Street was completed in 2013, enabling tenants of the respective buildings to interface electronically with one another.
151 Front W	—	—	275,709	275,709	99.2%	151 Front Street West is a restored, eight-storey, Class I, brick-and-concrete office technology complex located in the Downtown West submarket of Toronto. The property is located on the south-west corner of Front Street and Simcoe Street, just west of University Avenue.
250 Front W	—	—	173,000	173,000	60.1%	250 Front Street West is a brick-and-concrete office technology complex. It is located on the north side of Front Street between John Street and Simcoe Street.
Mission Critical Facilities	**—**	**—**	**559,688**	**559,688**	**83.1%**	
Total Rental Portfolio, Excluding PUD Transfers	**9,591,374**	**1,033,352**	**559,688**	**11,184,414**	**95.2%**	
180 John	39,269	6,384	—	45,653	100.0%	180 John Street is a seven-storey brick-and-beam office building located on the west side of John Street, south of Stephanie Street. The property is comprised of 45,653 square feet and was redeveloped and leased in its entirety. Renovation work was completed in 2017.
47 Front E	7,356	3,993	—	11,349	89.0%	47 Front Street East is a three-storey, heritage, Class I, brick-and-beam office building with retail at grade. The property is located on the south side of Front Street East, just east of Yonge Street and west of Church Street. It is directly between the REIT's properties at 41 - 45 Front Street East and 49 Front Street East.

DECEMBER 31, 2017 PROPERTIES	OFFICE GLA	RETAIL GLA	MISSION CRITICAL GLA	TOTAL GLA	LEASED %	PROPERTY DESCRIPTION
189 Joseph	26,373	—	—	26,373	100.0%	189 Joseph Street is a restored, Class I, brick-and-beam office building that is part of The Tannery in Kitchener. The property is located on the south side of Joseph Street and is between Linden Avenue and Victoria Street South. The building was extensively restored and renovated with work completed in 2017.
Total Rental Portfolio, Including PUD Transfers	9,664,372	1,043,729	559,688	11,267,789	95.2%	

PROPERTIES UNDER DEVELOPMENT	ESTIMATED GLA ON COMPLETION (SF)	
642 King W, Toronto [1]	13,750	642 King Street West is a tier-one Class I office and retail building with 63 feet of frontage on King Street West. The property is jointly owned by Allied and RioCan. The property is under development and the restoration is scheduled to be completed in Q2 2018.
TELUS Sky, Calgary [2]	223,000	TELUS Sky is an equal three-way joint arrangement between the REIT, TELUS and Westbank made possible, in part, by the REIT's acquisition of 100 7th Avenue SW in Calgary in late 2011. The REIT contributed this property to the joint arrangement at the end of the third quarter of 2014, and TELUS contributed its adjacent property at 114 7th Avenue SW at the same time. Westbank is the development manager. The joint arrangement intends to develop TELUS Sky on the site. The building has been designed to a LEED Platinum standard and will be comprised of approximately 444,000 square feet of office space, 326 rental apartments, 14,400 square feet of retail space and 333 underground parking spaces. TELUS has agreed to lease approximately 155,000 square feet of GLA, representing 36% of the office space. Construction has begun and the lease-up of the remaining office space is underway.
College & Palmerston, Toronto [1]	12,500	The College and Palmerston joint arrangement is owned on a 50/50 basis by the REIT and RioCan. The College and Palmerston joint arrangement is comprised of 491 College Street and 289 Palmerston Avenue in Toronto and is currently under construction with completion expected in Q2 2018. The new building is 3-storey mixed-use building with 18,000 square feet of office and 6,700 square feet of retail space at grade leased to LCBO.
King Portland Centre, Toronto [1]	134,500	Allied and RioCan are building a new structure on the development component of King Portland Centre that will be integrated with the residential condominium component at 602-606 King Street West and the office and retail component under development at 642 King Street West. The new structure will be comprised of 256,173 square feet of office GLA and 13,035 square feet of retail GLA fronting on King Street West and approximately 132 condominium units fronting on Adelaide Street West. The office and retail components of King Portland Centre have been designed to a LEED (Leadership in Energy and Environmental Design) CS (Core & Shell) Platinum standard and will include best-in-class operational, environmental, life-safety and health and wellness systems. 100% of the office GLA has been leased to Shopify and Indigo.

PROPERTIES UNDER DEVELOPMENT	ESTIMATED GLA ON COMPLETION (SF)	
Adelaide & Duncan, Toronto [3]	228,000	Adelaide and Duncan is an equal two-way joint arrangement with Westbank. The property is comprised of a Class I building with 61,860 square feet of GLA and 36 surface parking spaces. The joint arrangement continues to obtain the necessary approvals to retain and restore a large portion of the existing Class I building and to integrate it with a new structure above. It is anticipated that the development will have approximately eight floors of office and forty two floors of rental residential. Westbank is the development manager for the Adelaide and Duncan joint arrangement. The REIT will manage the office component of the project on completion and Westbank will manage the residential component. Occupancy is anticipated to be in early 2021.
The Well, Toronto [4]	1,550,000	The Well joint arrangement consists of 440-462 Front Street West, 1 Draper Street & 425-439 Wellington Street West. The REIT and RioCan each have an undivided 50% interest in The Well. The Well project is situated on 7.67 acres of land on the northwest corner of Front Street West and Spadina Avenue, located on a city block bounded by Spadina Avenue, Front Street, Draper Street and Wellington Street. The Well has received Official Plan approval for over three million square feet of mixed-use density on the site. Approximately 1.43 million square feet of the density is currently expected to be residential, which will include a mix of both condominium and rental apartments. The remainder of the site is being divided between office and retail density in a ratio of approximately two to one. The Well joint arrangement is working toward pre-leasing a significant portion of the office component and is optimistic that a lead tenant will be secured in the near term. In 2016 the residential components were sold to Tridel and Woodbourne Partner. The sale is to close in 2020. Excavation of the site is ongoing, with the project completion anticipated for 2021.
Le Nordelec - Development, Montréal	TBD	The development component of Le Nordelec includes a vacant industrial building to be converted to surface parking, a small existing brick-and-beam structure to be converted to retail, and the approved unbuilt residential units.

PROPERTIES UNDER DEVELOPMENT	ESTIMATED GLA ON COMPLETION (SF)	
The Lougheed (604-1st SW), Calgary	92,600	The Lougheed Building, 604-1st Street SW is a six-storey, Class I, brick-and-beam office building. The building is located on the corner of 6th Avenue Southwest and 1st Street Southwest in Calgary's downtown core. Built in 1911, this heritage property was renovated between 2006 and 2007.
Total Development Portfolio	2,254,350	

(1) RioCan/Allied Joint Arrangement

(2) Telus/Westbank/Allied Joint Arrangement

(3) Westbank/Allied Joint Arrangement

(4) RioCan/Allied Joint Arrangement. Allied acquired an additional undivided 10% interest in the commercial component of The Well. Each of Allied and RioCan now own an undivided 50% interest in the commercial component of The Well.

ANCILLARY PARKING FACILITIES

ANCILLARY PARKING FACILITIES	NUMBER OF SPACES	
301 Markham, Toronto	47	301 Markham Street Parking is a commercial parking facility that is part of Ideal Lofts, a condominium located on the east side of Markham Street, in relatively close proximity to the REIT's two properties at 491 College Street and 555 College Street. It is comprised of two levels below grade and includes 47 parking spaces.
388 Richmond, Toronto	117	388 Richmond Street West is a three-level above ground parking structure comprised of 117 parking spaces with one point of access off of Richmond Street.
78 Spadina, Toronto	24	78 Spadina Parking is a commercial parking facility comprised of 24 at-grade surface parking spaces.
7-9 Morrison, Toronto	25	7-9 Morrison Parking is a commercial parking facility comprised of 25 at-grade surface parking spaces.
650 King, Toronto	71	650 King Street West is a commercial parking facility comprised of 71 parking spaces.
533 King, Toronto	107	533 King Street West is a commercial parking facility comprised of 107 at-grade surface parking spaces.
560 King, Toronto	171	560 King Street West is a commercial parking facility constructed as part of Fashion House, a condominium project on the north side of King Street West in Toronto, with 171 underground commercial parking spaces.
478 King, Toronto (1)	65	478 King Street West is a commercial parking facility comprised of 65 parking spaces. The facility has shared street access with 15 Brant parking facility and is located immediately behind the REIT's property at 500-522 King Street West.
15 Brant, Toronto	203	15 Brant Street is a commercial parking facility comprised of 203 parking spaces. The facility has shared street access with 478 King parking facility and is located immediately behind the REIT's property at 500-522 King Street West.
105 George, Toronto	15	105 George Street is a commercial parking facility, comprising of 15 parking spaces.
Total Parking	**845**	

(1) Lifetime/Allied Joint Arrangement

TENANT MIX

No single tenant accounts for more than 3.0% of the rental revenue from the Properties. As shown in the table below, the Properties have a diversified tenant base, which is expected to provide the REIT with stable and predictable cash flows. The following table shows the tenant mix for the Properties on the basis of percentage of rental revenue for the year ended December 31, 2017.

CATEGORY	% OF RENTAL REVENUE DECEMBER 31, 2017
Business service and professional	29.8%
Telecommunications and information technology	28.1%
Media and entertainment	13.3%
Retail (head office and storefront)	11.7%
Parking & other	8.1%
Financial services	4.3%
Government	2.7%
Educational and institutional	2.0%
	100.0%

The following table shows the percentage of rental revenue from the REIT's ten largest tenants ranked by rental revenue for the year ended December 31, 2017.

TENANT**	% OF RENTAL REVENUE DECEMBER 31, 2017	WEIGHTED AVERAGE REMAINING LEASE TERM (YEARS)	CREDIT RATING DBRS/S&P/MOODY'S
Equinix	2.8%	7.3	-/BB+/Ba3
Cloud Service Provider	2.6%	3.2	*-/AAA/Aaa
Ubisoft	2.4%	6.8	Not Rated
Desjardins	2.0%	3.7	AA/A+/Aa2
Cologix	1.6%	20.0	-/B/B3
National Capital Commission ("NCC"), a Canadian Crown Corporation	1.6%	17.6	Not Rated
Morgan Stanley	1.4%	2.8	AH/BBB+/A3
Entertainment One	1.3%	10.5	-/B+/Ba3
Allstream	1.3%	1.1	*-/B+/B2
Bell Canada	1.3%	2.6	BBBH/BBB+/Baa1
	18.3%		

NOTE

* Credit rating for parent company

** The information in the above table under the heading "Tenant" reflects the trade names of such tenants.

Due to the demand for Class I office space to date, the REIT has been able to be very selective with respect to the office and retail tenants in the Properties, both on a property-by-property basis and on a portfolio basis. This has resulted in a balanced mix of tenants without undue exposure to any tenant type.

LEASE MATURITIES

The following table contains information on the office and retail leases that mature up to 2022, assuming tenants do not exercise renewal options, and the corresponding estimated weighted average market rental rate:

	SQUARE FEET	% OF TOTAL GLA	WEIGHTED AVERAGE IN-PLACE RENTAL RATE	ESTIMATED WEIGHTED AVERAGE MARKET RENTAL RATE (3)
December 31, 2018	734,052	6.5%	23.59	28.08
December 31, 2019	1,047,544	9.3%	23.78	27.69
December 31, 2020	1,215,178	10.8%	27.54	31.35
December 31, 2021	1,185,708	10.5%	20.63	24.63
December 31, 2022	1,232,400	10.9%	22.30	24.62

MORTGAGES

Mortgages payable have a weighted average stated interest rate of 4.73% as at December 31, 2017. The mortgages are secured by a first registered charge over specific investment properties and first general assignments of leases, insurance and registered chattel mortgages.

The following table contains information on the remaining contractual mortgage maturities:

	PRINCIPAL REPAYMENTS	BALANCE DUE AT MATURITY	DECEMBER 31, 2017	DECEMBER 31, 2016
2018	33,673,000	70,678,000	104,351,000	
2019	31,278,000	113,769,000	145,047,000	
2020	25,856,000	4,456,000	30,312,000	
2021	25,136,000	99,079,000	124,215,000	
2022	21,326,000	100,102,000	121,428,000	
2023	17,333,782	213,355,000	230,689,000	
2024	4,691,000	174,860,000	179,551,000	
2025	1,146,000	8,788,000	9,934,000	
2026	924,000	20,443,000	21,367,000	
Mortgages, principal	$161,364,000	$805,530,000	$966,894,000	$1,120,426,000

Risk Factors

There are certain risks inherent in the activities of the REIT, including the following.

PUBLIC MARKET

The REIT is an unincorporated trust and its Units are listed on the TSX. The REIT cannot predict at what price the Units will trade and there can be no assurance that an active trading market in the Units will be sustained. A publicly traded real estate investment trust will not necessarily trade at values determined solely by reference to the underlying value of its real estate assets. One of the factors that may influence the market price of the Units is the annual yield on the Units. Accordingly, an increase in market interest rates may lead purchasers of Units to expect a higher annual yield which could adversely affect the market price of the Units. In addition, the market price for the Units may be affected by changes in general market conditions, fluctuations in the markets for equity securities and numerous other factors beyond the control of the REIT.

REAL PROPERTY OWNERSHIP

All real property investments are subject to elements of risk. Real estate investments are capital intensive, and success from real estate investments depends upon maintaining occupancy levels and rental income flows to generate acceptable returns. These success factors are dependent on general economic conditions, such as availability of long term mortgage funds, local real estate markets, supply and demand for leased premises, competition from other available premises, realty taxes based on market value assessment and various other factors. The value of real property and any improvements thereto may also depend on the credit and financial stability of the tenants.

TENANT TERMINATIONS AND FINANCIAL STABILITY

The REIT's distributable income would be adversely affected if a significant number of tenants were to become unable to meet their obligations under their leases or if a significant amount of available space in the Properties and any additional properties in which the REIT acquires an interest were not able to be leased on economically favourable lease terms. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant replaced. The terms of any subsequent lease may be less favourable to the REIT than the existing lease. In the event of default by a tenant, delays or limitations in enforcing rights as lessor may be experienced and substantial costs in protecting the REIT's investment may be incurred. Furthermore, at any time, a tenant of any of the REIT's properties may seek the protection of bankruptcy, insolvency or similar laws that could result in the rejection and termination of such tenant's lease and thereby cause a reduction in the cash flow available to the REIT. The ability to rent unleased space in the properties in which the REIT will have an interest will be affected by many factors. Costs may be incurred in making improvements or repairs to property required by a new tenant. The failure to rent unleased space on a timely basis or at all would likely have an adverse effect on the REIT's financial condition.

FIXED COSTS

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges must be made by the REIT throughout the period of its ownership of the Properties and any property in which the REIT subsequently acquires an interest regardless of whether the property is producing any income. If the REIT is unable to meet mortgage payments on any property, losses could be sustained as a result of the mortgagee's exercise of its rights of foreclosure or sale.

LIQUIDITY

Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may tend to limit the REIT's ability to vary its portfolio promptly in response to changing economic or investment conditions. If the REIT were to be required to liquidate its real property investments, the proceeds to the REIT might be significantly less than the aggregate carrying value of its properties.

FINANCING AND INTEREST RATE RISKS

The REIT is subject to risk associated with debt financing. The availability of debt to re-finance existing and maturing loans and the cost of servicing such debt will influence the REIT's success. In order to minimize risk associated with debt financing, the REIT strives to re-finance maturing loans with long-term fixed-rate debt and to stagger the maturities over time.

AVAILABILITY OF CASH FLOW

Distributable income may exceed actual cash available to the REIT from time to time because of items such as principal repayments of debt, tenant inducements, leasing commissions and capital expenditures, if any. The REIT may be required to use part of its debt capacity or reduce distributions in order to accommodate such items.

MORTGAGE PAYMENTS

Approximately 44.6% of the principal amount of the Mortgages have terms of five years or less. Variations in interest rates and principal repayments required under the Mortgages and the REIT's operating and acquisition credit facilities, on renewal or otherwise, could result in significant changes in the amount required to be applied to debt service and, as a result, reduce the amount of cash available for distribution to Unitholders. Certain covenants in the Mortgages and credit facilities may also limit payments by the REIT to its Unitholders. If the REIT becomes unable to pay its debt service charges or otherwise commits an event of default, the rights of its lenders will rank senior to any rights of Unitholders.

AVAILABILITY OF GROWTH OPPORTUNITIES

There can be no assurance that the REIT will be able to acquire assets on an accretive basis or that distributions to Unitholders will increase.

COMPETITION

The real estate business is competitive. Numerous other developers, managers and owners of office properties compete with the REIT in seeking tenants. Some of the properties of the REIT's competitors are better located or less levered than the Properties and any property in which the REIT subsequently acquires an interest. Some of the REIT's competitors are better capitalized and stronger financially and hence better able to withstand an economic downturn. The existence of competing developers and owners and competition for the REIT's tenants could have an adverse effect on the REIT's ability to lease space in its properties and on the rents charged or concessions granted, and could adversely affect the REIT's revenues and its ability to meet its debt obligations. An increase in the availability of investment funds and an increase in interest in immovable property investments may tend to increase competition for immovable property investments, thereby increasing purchase prices and reducing the yield on them. Competition for acquisitions of real properties is intense, and some competitors may have the ability or inclination to acquire properties at a higher price or on terms less favourable than those that the REIT is prepared to accept.

GENERAL UNINSURED LOSSES

The REIT carries comprehensive general liability, fire, flood, extended coverage and rental loss insurance with policy specifications, limits and deductibles customarily carried for similar properties. There are, however, certain types of risks, generally of a catastrophic nature, such as wars or environmental contamination, which are either uninsurable or not insurable on an economically viable basis. The REIT will have insurance for earthquake risks, subject to certain policy limits, deductibles and self-insurance arrangements, and will continue to carry such insurance if it is economical to do so. Should an uninsured or underinsured loss occur, the REIT could lose its investment in, and anticipated profits and cash flows from, one or more of its properties, but the REIT would continue to be obliged to repay any recourse mortgage indebtedness on such properties.

INTEREST RATE FLUCTUATIONS

The REIT's financing may include indebtedness with interest rates based on variable lending rates that will result in fluctuations in the REIT's cost of borrowing.

ACCESS TO CAPITAL

The real estate industry is highly capital intensive. The REIT will require access to capital to maintain its properties, to complete development and intensification projects, as well as, to fund its growth strategy and significant capital expenditures from time to time. There is no assurance that capital will be available when needed or on favourable terms. The REIT's access to capital and cost of capital will be subject to a number of factors, including general market conditions; the market's perception of the REIT's growth potential; the REIT's current and expected future earnings; the REIT's cash flow and cash distributions; and the market price of the REIT's units. If the REIT is unable to obtain sources of capital, it may not be able to acquire or develop assets, or pursue the development or intensification of properties when strategic opportunities arise.

JOINT ARRANGEMENTS AND PARTNERSHIPS

The REIT has entered into various joint arrangements and partnerships with different entities. There is a risk that if these joint arrangements or partnerships do not perform as expected or default on financial obligations, the REIT has an associated risk. The REIT reduces this risk by seeking to negotiate contractual rights upon default by entering into agreements with financially stable partners and by working with partners who have a successful record of completing development projects.

The REIT may own less than a controlling interest, may not be in a position to exercise sole decision-making authority regarding the properties owned through joint arrangements and may not fully manage those properties. Investments in joint arrangements may, under certain circumstances, involve risks not present when a third party is not involved, including: (i) counter-party risk; (ii) the possibility that joint arrangement partners may have business interests or goals that are inconsistent with the REIT's business interests or goals; and (iii) the need to obtain the joint arrangement partner's consent with respect to certain major decisions relating to these assets, such as decisions relating to the sale of the assets, timing and amount of distributions of cash from such properties to the REIT and its joint arrangement partners, and capital expenditures. In addition, the sale or transfer of interests in certain of the joint arrangements and partnerships may be subject to rights of first refusal and certain of the joint arrangement agreements may provide for buy-sell, put or similar arrangements.

ENVIRONMENTAL AND CLIMATE CHANGE RISK

As an owner of real estate, the REIT is subject to various federal, provincial and municipal laws relating to environmental matters. Such laws provide that the REIT could be liable for the costs of removal of certain hazardous substances and remediation of certain hazardous locations. The failure to remove or remediate such substances or locations, if any, could adversely affect the REIT's ability to sell such real estate or to borrow using such real estate as collateral and could potentially also result in claims against the REIT. The REIT is not aware of any material non-compliance with environmental laws at any of the Properties. The REIT is also not aware of any pending or threatened investigations or actions by environmental regulatory authorities in connection with any of the Properties or any pending or threatened claims relating to environmental conditions at the Properties.

The REIT will make the necessary capital and operating expenditures to ensure compliance with environmental laws and regulations. Although there can be no assurances, the REIT does not believe that costs relating to environmental matters will have a material adverse effect on the REIT's business, financial condition or results of operation. However, environmental laws and regulations may change and the REIT may become subject to more stringent environmental laws and regulations in the future. Compliance with more stringent environmental laws and regulations could have an adverse effect on the REIT's business, financial condition or results of operation. It is the REIT's operating policy to obtain a Phase I environmental assessment conducted by an independent and experienced environmental consultant prior to acquiring a property. Phase I environmental assessments have been performed in respect of all Properties. See "Investment Guidelines and Operating Policies - Operating Policies".

Natural disasters and severe weather such as floods, blizzards and rising temperatures may result in damage to the Properties. The extent of the REIT's casualty losses and loss in operating income in connection with such events is a function of the severity of the event and the total amount of exposure in the affected area. The REIT is also exposed to risks associated with inclement winter weather, including increased need for maintenance and repair of the REIT's buildings. In addition, climate change, to the extent it causes changes in weather patterns, could have effects on the REIT's business by increasing the cost of property insurance, and/or energy at the Properties. As a result, the consequences of natural disasters, severe weather and climate change could increase the REIT's costs and reduce the REIT's cash flow.

DEVELOPMENT RISK

As an owner of Properties Under Development, the REIT is subject to development risks, such as construction delays, cost over-runs and the failure of tenants to take occupancy and pay rent in accordance with lease arrangements. In connection with all Properties Under Development, the REIT incurs development costs prior to (and in anticipation of) achieving a stabilized level of rental revenue. In the case of the development of ancillary or surplus land, these risks are managed in most cases by not commencing construction until a satisfactory level of pre-leasing is achieved. Overall, these risks are managed through the REIT's Declaration of Trust, which states that the cost of development cannot exceed 15% of Gross Book Value.

UNEXPECTED COSTS OR LIABILITIES RELATED TO ACQUISITIONS

A risk associated with acquisitions is that there may be an undisclosed or unknown liability relating to the acquired property, and the REIT may not be indemnified for some or all of these liabilities. Following an acquisition, the REIT may discover that it has acquired undisclosed liabilities, which may be material. The due diligence procedures performed by Management are designed to address this risk. The REIT performs what it believes to be an appropriate level of investigation in connection with its acquisition of properties and seeks through contract to ensure that risks lie with the appropriate party.

ABSENCE OF SHAREHOLDER RIGHTS

Unitholders do not have all of the statutory rights normally associated with ownership of shares of a company. On May 12, 2016, the REIT amended the Declaration of Trust to include certain rights, remedies and procedures in favour of Unitholders consistent, to the extent possible, with those available to shareholders of a corporation pursuant to the Canada Business Corporations Act, as further described in the REIT's Management Information Circular dated April 11, 2016. The rights granted in the Declaration of Trust are granted as contractual rights afforded to Unitholders (rather than as statutory rights). Similar to other existing rights contained in the REIT's Declaration of Trust (i.e., the take-over bid provisions and conflict of interest provisions), making these rights and remedies and certain procedures available by contract is structurally different from the manner in which the equivalent rights and remedies or procedures (including the procedure for enforcing such remedies) are made available to shareholders of a corporation, who benefit from those rights and remedies or procedures by the corporate statute that governs the corporation, such as the *Canada Business Corporations Act*. As such, there is no certainty how these rights, remedies or procedures may be treated by the courts in the non-corporate context or that a Unitholder will be able to enforce the rights and remedies in the manner contemplated by the amendments. Furthermore, how the courts will treat these rights, remedies and procedures will be in the discretion of the court, and the courts may choose to not accept jurisdiction to consider any claim contemplated in the provisions.

The Units are not "deposits" within the meaning of the *Canada Deposit Insurance Corporation Act* and are not insured under the provisions of that Act or any other legislation. Furthermore, the REIT is not a trust company and, accordingly, it is not registered under any trust and loan company legislation as it does not carry on or intend to carry on the business of a trust company.

UNITHOLDER LIABILITY

On December 16, 2004, the Province of Ontario proclaimed the *Trust Beneficiaries Liability Act* (Ontario) in force. This legislation provides that beneficiaries of Ontario based income trusts are not liable, as beneficiaries, for any act, default, obligation or liability of the income trust. Unitholders of the REIT will have the benefit of this legislation with respect to liabilities arising on or after December 16, 2004. This legislation has not been subject to interpretation by courts in the Province of Ontario or elsewhere.

ACQUISITION AND EXPANSION

The REIT's success will depend in large part on identifying suitable acquisition opportunities, pursuing such opportunities, consummating acquisitions, and effectively operating the Properties. If the REIT is unable to manage its growth effectively, its business, operating results and any other financial condition could be adversely affected.

CHANGES IN LEGISLATION AND INVESTMENT ELIGIBILITY

There can be no assurance that income tax laws (or the judicial interpretation thereof or the administrative and/or accessing practices of the Canada Revenue Agency) and/or the treatment of mutual fund trusts will not be changed in a manner which adversely affects Unitholders. The REIT will endeavour to ensure that the Units continue to be qualified investments for registered retirement savings plans, deferred profit sharing plans, registered retirement income funds, registered education savings plans, registered disability savings plans and tax-free savings accounts. Units will cease to be qualified investments for registered retirement savings plans, deferred profit sharing plans, registered retirement income funds, registered education savings plans, registered disability savings plans and tax-free savings accounts if the Units were no longer listed on a stock exchange that, for the purposes of the Tax Act, is a designated stock exchange (which includes the TSX) and the REIT no longer qualified as a mutual fund trust or as a registered investment. The Tax Act imposes penalties for the acquisition or holding of non-qualified investments.

RELIANCE ON KEY PERSONNEL

The management of the REIT depends on the services of certain key personnel, including Michael R. Emory, Thomas G. Burns and Cecilia C. Williams. The loss of the services of any key personnel could have an adverse effect on the REIT.

TAXATION RISK

The REIT is a mutual fund trust as defined in the Tax Act. The Tax Act contains restrictions relating to the activities and the investments permitted by a mutual fund trust and, if the REIT failed to adhere to these restrictions, adverse tax consequences would arise.

The REIT has been a "real estate investment trust" for purposes of rules applicable to "specified investment flow-through entities" (**"SIFT"**) throughout 2017; however it is possible that the REIT may cease to be a "real estate investment trust" in the event it does not meet certain criteria at some future date. The REIT ceasing to qualify as a "real estate investment trust" for purposes of the SIFT rules at any time would result in certain distributions from the REIT not being deductible in computing its taxable income, and the REIT being subject to tax on such distributions at a rate that is substantially equivalent to the general tax rate applicable to Canadian corporations.

In the event that the SIFT rules apply to the REIT, the impact to Unitholders will depend on the status of the holder and, in part, on the amount of income distributed which would not be deductible by the REIT in computing its income in a particular year and what portions of the REIT's distributions constitute "non-portfolio earnings", other income and return of capital.

CREDIT RISK

The REIT is subject to credit risk arising from the possibility that tenants may not be able to fulfill their lease obligations. The REIT strives to mitigate this risk by maintaining a diversified tenant-mix and limiting exposure to any single tenant. As the REIT has invested in mortgages to facilitate acquisitions, further credit risks arise in the event that borrowers default on the repayment of their mortgages to the REIT. The REIT's mortgage investments will typically be subordinate to prior ranking mortgage or charges. Not all of the REIT's financing activities will translate into acquisitions. As of December 31, 2017 , the REIT had $88,316,000 in loans receivable and advances to developer, loaned to affiliates of a single private company. In the event of a large commercial real estate market correction, the fair market value of an underlying property may be unable to support the mortgage investment. The REIT mitigates this risk by obtaining corporate guarantees and/or registered mortgage charges.

LEASE ROLL-OVER RISK

The REIT is subject to lease roll-over risk. Lease roll-over risk arises from the possibility that the REIT may experience difficulty renewing or replacing tenants occupying space covered by leases that mature. The REIT strives to stagger its lease maturity schedule so that it is not faced with a disproportionately large level of lease maturities in a given year. In evaluating the REIT's lease roll-over risk, it is informative to determine the REIT's sensitivity to a decline in occupancy. For every full-year decline of 100 basis points in occupancy at the REIT's average rental rate per square foot, the REIT's annual AFFO would decline by approximately $4,192,424 (approximately $0.05 per unit). The decline in AFFO per unit would be more pronounced if the decline in occupancy involved space leased above the REIT's average rental rate per square foot and less pronounced if the decline in occupancy involved space leased below the REIT's average rental rate per square foot.

CYBERSECURITY RISK

The efficient operation of the REIT's business is dependent on computer hardware and software systems. Information systems are vulnerable to cybersecurity incidents. A cybersecurity incident is considered to be any material adverse event that threatens the confidentiality, integrity or availability of the REIT's information resources. A cybersecurity incident is an intentional attack or an unintentional event including, but not limited to, malicious software, attempts to gain unauthorized access to data or information systems, and other electronic security breaches that could lead to disruptions in critical systems, unauthorized release of confidential or otherwise protected information and corruption of data. The REIT's primary risks that could directly result from the occurrence of a cyber incident include operational interruption, damage to its reputation, damage to its business relationships with tenants, the disclosure of confidential information including personally identifiable information, potential liability to third parties, loss of revenue, additional regulatory scrutiny and fines, as well as litigation and other costs and expenses. The REIT takes data privacy and protection seriously and has implemented processes, procedures and controls to help mitigate these risks. Access to personal data is controlled through physical security and IT security mechanisms. For information stored with or processed by third parties, the REIT undertakes due diligence prior to working with them and uses contractual means to ensure compliance to standards set by the REIT. Additionally, the REIT monitors and assesses risks surrounding collection, usage, storage, protection, and retention/ destruction practices of personal data. These measures, as well as its increased awareness of a risk of a cyber incident, do not guarantee that its financial results will not be negatively impacted by such an incident.

Management's Discussion and Analysis of Results of Operations and Financial Condition

Management's Discussion and Analysis of Results of Operations and Financial Condition of the REIT as at December 31, 2017, as filed on SEDAR at www.sedar.com, is incorporated by reference herein.

Management of the REIT

TRUSTEES

The Declaration of Trust provides that the assets and operations of the REIT are subject to the control and authority of between seven and nine Trustees. There are currently eight Trustees. The number of Trustees may be changed by the Unitholders or, if authorized by the Unitholders, by the Trustees, provided that the Trustees may not, between meetings of Unitholders, appoint an additional Trustee if, after such appointment, the total number of Trustees would be greater than one and one-third times the number of Trustees in office immediately following the last annual meeting of Unitholders. The Trustees have been authorized by the Unitholders to increase the number of Trustees from time to time within the foregoing limit. A vacancy occurring among the Trustees may be filled by resolution of the remaining Trustees or by the Unitholders at a meeting of the Unitholders.

The Trustees are to be elected by resolution passed by a majority of the votes cast at a meeting of the Unitholders. Trustees elected at an annual meeting will be elected for terms expiring at the next annual meeting and will be eligible for re-election. A Trustee elected to fill a vacancy will be elected for the remaining term of the Trustee he or she is succeeding. The Declaration of Trust requires advance notice be given to the REIT of Unitholder proposals for the nomination of Trustees at least 30 days prior to the date of the applicable annual meeting. The approval of the Trustees or, if an Investment Committee has been appointed, of the Investment Committee, is required prior to the REIT making any acquisition or disposition and for the assumption or granting of any mortgage, but not for the renewal of any existing mortgage. The Declaration of Trust contains additional provisions to the following effect with respect to Trustees: (i) a majority of the Trustees must be resident in Canada and must be Independent Trustees; and (ii) a Trustee may be removed with or without cause by a majority of the votes cast at a meeting of Unitholders or with cause by two-thirds of the remaining Trustees.

The standard of care and duties of the Trustees provided in the Declaration of Trust are similar to those imposed on a director of a corporation governed by the *Canada Business Corporations Act*. Accordingly, each Trustee is required to exercise the powers and discharge the duties of his office honestly, in good faith and in the best interests of the REIT and the Unitholders and, in connection therewith, to exercise that degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

CONFLICT OF INTEREST RESTRICTIONS AND PROVISIONS

The Declaration of Trust contains "conflict of interest" provisions that serve to protect Unitholders without creating undue limitations on the REIT. Given that the Trustees are engaged in a wide range of real estate and other activities, the Declaration of Trust contains provisions, similar to those contained in the *Canada Business Corporations Act*, that require each Trustee to disclose to the REIT any interest in a material contract or transaction or proposed material contract or transaction with the REIT (including a contract or transaction involving the making or disposition of any investment in real property or a joint venture arrangement) or the fact that such person is a director or officer of or otherwise has a material interest in any person who is a party to a material contract or transaction or proposed material contract or transaction with the REIT. Such disclosure is required to be made at the first meeting at which a proposed contract or transaction is considered. In the event that a material contract or transaction or proposed material contract or transaction is one that in the ordinary course would not require approval by the Trustees, a Trustee is required to disclose in writing to the REIT or request to have entered into the minutes of meetings of Trustees the nature and extent of his or her interest forthwith after the Trustee becomes aware of the contract or transaction or proposed contract or transaction. In any case, a Trustee who has made disclosure to the foregoing effect is not entitled to vote on any resolution to approve the contract or transaction unless the contract or transaction is one relating primarily to his or her remuneration as a Trustee, officer, employee or agent of the REIT or one for indemnity under the provisions of the Declaration of Trust or liability insurance.

INDEPENDENT TRUSTEE MATTERS

In addition to any other approvals, the approval of a majority of the Independent Trustees is required in order for the following matters involving a potential conflict of interest to become effective: (i) the acquisition of real property or an investment in real property in which any Related Party has any direct or indirect interest; (ii) to waive the application of the Rights Plan to any flip-in event (as such term is defined in the Rights Plan); and (iii) any matter involving the REIT in which a Related Party has an interest.

TRUSTEES AND OFFICERS

The name and municipality of residence, office held with the REIT and principal occupation of each Trustee and executive officer of the REIT as at the date hereof are as follows:

NAME AND MUNICIPALITY OF RESIDENCE	POSITION WITH THE REIT	TRUSTEE SINCE	PRINCIPAL OCCUPATION
Thomas G. Burns Toronto, Ontario	Executive Vice President and Chief Operating Officer	-	Executive Vice President and Chief Operating Officer of the REIT
Gerald R. Connor (1)(3) Toronto, Ontario	Trustee	2002	Chairman, Cumberland Private Wealth Management Inc. (discretionary money manager)
Gordon R. Cunningham (2)(3) Toronto, Ontario	Trustee and Chair	2002	Corporate Director
Michael R. Emory Toronto, Ontario	Trustee, President and Chief Executive Officer	2002	President and Chief Executive Officer of the REIT
James Griffiths (1)(3) Toronto, Ontario	Trustee	2006	President, KLC Capital Investment Corporation (consulting and advisory services)
Margaret T. Nelligan Toronto, Ontario	Trustee	2015	Partner, Aird & Berlis LLP
Ralph T. Neville (1)(3) Oakville, Ontario	Trustee	2008	Chartered Professional Accountant and Tax Advisor
Peter Sharpe (2)(3) Toronto, Ontario	Trustee	2012	Corporate Director
Daniel F. Sullivan (2)(3) Toronto, Ontario	Trustee	2002	Corporate Director
Cecilia C. Williams Toronto, Ontario	Executive Vice President and Chief Financial Officer	-	Executive Vice President and Chief Financial Officer of the REIT

NOTES

(1) Member of the Audit Committee

(2) Member of Governance, Compensation and Nomination Committee

(3) Independent Trustee

All Trustees of the REIT serve until the next annual meeting of Unitholders or until such Trustee's successor is duly elected or appointed. To the knowledge of the REIT, as at the date hereof, the Trustees and executive officers of the REIT beneficially owned, directly or indirectly, or had control or direction over 1,720,129 Units, representing approximately 1.85% of the outstanding Units. Mr. Griffiths was a director and interim chief executive officer of Enssolutions Group Inc. ("Enssolutions"), which was subject to cease trade orders issued by the British Columbia Securities Commission on May 11, 2015, the Ontario Securities Commission on May 20, 2015 and the Alberta Securities Commission on August 28, 2015 as a result of Enssolutions' failure to file its financial statements as required under applicable securities law. The required financial statements were filed on November 4, 2015 and December 10, 2015, and the cease trade orders were revoked effective June 19, 2017. Additional information regarding the Trustees and executive officers of the REIT listed above is set forth below.

THOMAS G. BURNS

Mr. Burns is the Executive Vice President and Chief Operating Officer of the REIT. From January 2011 until December 2011, he was Executive Vice President, Operations and Leasing of the REIT. He was formerly Senior Vice President, Retail at DTZ Barnicke, as well as a member of DTZ's Global Management Committee. During Mr. Burns' 32 year career, he has distinguished himself in the Canadian Real Estate community in both the leasing of retail space and consulting on the repositioning of existing retail properties. He is a Business Administration graduate of Algonquin College specializing in Real Estate.

GERALD R. CONNOR

Mr. Connor is the Chairman and Founder of Cumberland Private Wealth Management Inc., which currently manages assets in excess of $2.0 billion for primarily high net worth investors. Prior to founding Cumberland Private Wealth Management Inc. in 1997, Mr. Connor was President of Connor, Clark & Company Ltd. (1977 to 1997) and Chairman of the board of directors of Connor, Clark & Lunn Investment Management. Mr. Connor has over 49 years of investment experience.

GORDON R. CUNNINGHAM

Mr. Cunningham is a Corporate Director and the Chair of the REIT. He is also Chair of The Boiler Inspection & Insurance Company of Canada, an indirect subsidiary of Munich Re. Positions Mr. Cunningham has previously held include President and Chief Executive Officer of London Insurance Group and London Life Insurance Company and Vice Chairman of Cumberland Private Wealth Management Inc. Mr. Cunningham was formerly a partner at the law firm of Torys.

MICHAEL R. EMORY

Mr. Emory is the President and Chief Executive Officer and a trustee of the REIT. He has been continuously active in the commercial real estate business since 1988. Prior thereto, Mr. Emory was a partner with the law firm of Aird & Berlis LLP, specializing in corporate and real estate finance. Mr. Emory is a Director of Equitable Group Inc. and Equitable Bank.

JAMES GRIFFITHS

Mr. Griffiths is the President of KLC Capital Investment Corporation and a director of Enssolutions Group Inc. He is also a Director and Senior Vice President of Finance of Alternate Health Corp. Mr. Griffiths is a chartered accountant and has over 38 years of experience in the real estate development/financing industries. He was the Vice President Finance of Genstar Property Corporation and the President of First City Development Corp. He was also President of RealFund, Canada's first Real Estate Investment Trust. Mr. Griffiths is a past director of the Canadian Institute of Public Real Estate Companies and was the Founding Chairman of the Association of Foreign Investors in U.S. Real Estate.

MARGARET T. NELLIGAN

Ms. Nelligan is a partner with the law firm of Aird & Berlis LLP. She practices in the areas of corporate and securities law, including corporate governance, public financings, mergers and acquisitions, acquisition financings and corporate reorganizations. Ms. Nelligan earned an LL.B. (Hons.) from the University of Windsor in 1984. She has been granted the ICD.D designation by the Institute of Corporate Directors. Ms. Nelligan is a past director of Horizon Utilities Corporation.

RALPH T. NEVILLE

Mr. Neville is a director of The Canadian Museum of Inuit Art and a trustee of the Warren Y. Soper Charitable Trust. He is a chartered professional accountant and since 2006 serves as an independent tax advisor. Prior thereto, Mr. Neville was a partner in BDO Canada LLP between 1973 and 2005, specializing in income tax practice for corporate clients. He is a past chair of the Ontario Institute of Chartered Accountants, a past director of the Canadian Institute of Chartered Accountants, a past director of The Public Accountants Council for the Province of Ontario and a past director of the Canadian Association of Insolvency and Restructuring Professionals. He has also served as an expert witness on taxation matters in the Tax Court of Canada, in criminal court, family law and civil litigation matters.

PETER SHARPE

Mr. Sharpe is a Corporate Director and has been a trustee of the REIT since May 2012. He was the former President & Chief Executive Officer of Cadillac Fairview (2000-2010), one of Canada's largest investors, owners and managers of commercial real estate. Peter held senior executive positions with Cadillac Fairview since 1984. He served as Global Chairman of the International Council of Shopping Centres in 2010. In 2010, Mr. Sharpe was the recipient of the Building Owners and Managers Association Canada Chairman's Award. Peter serves on the boards of Postmedia Network Canada Corp., First Industrial Realty Trust, Inc., Multiplan Empreendimentos Imobiliarios S.A. and Morguard Corporation.

DANIEL F. SULLIVAN

Mr. Sullivan is a director of Ontario Teachers' Pension Plan, IMP Group International Inc., Crius Energy Trust and Choice Properties Real Estate Investment Trust. From October 2006 until February 2011, he served as Consul General of Canada in New York. Prior to December 2006, Mr. Sullivan was Deputy Chairman of Scotia Capital Inc. and has 39 years of experience in the investment banking industry, all of which were with Scotia Capital Inc. and its predecessor entities. He has extensive experience in real estate financing and the acquisition and disposition of commercial properties. Mr. Sullivan has served on the boards of Camco Inc., Allstream Inc., Cadillac Fairview Corporation, Monarch Developments Inc. and Schneider Corporation. He has served as Chairman of the board of directors of the Toronto Stock Exchange Inc. and the Investment Dealers Association of Canada.

CECILIA C. WILLIAMS

Ms. Williams is Chief Financial Officer and Executive Vice President of the REIT. She was formerly the Vice President and Controller of Dream Unlimited Corp. and Chief Financial Officer of Dream Alternative Trust. After graduating from University of Toronto (Bachelor of Commerce, 1998), Ms. Williams began her career at Arthur Andersen, where she obtained her Chartered Accountant designation in 2001 while working in the assurance and valuation practices. She continued her career development through progressively more senior financial planning positions at Magna International and Canwest Broadcasting/Shaw Media.

INVESTMENT COMMITTEE

The Declaration of Trust provides that the Trustees may from time to time appoint from among their number an Investment Committee consisting of at least three Trustees (the **"Investment Committee"**). A majority of the members of the Investment Committee must be Independent Trustees.

The Declaration of Trust provides that the Investment Committee shall have the power, to the extent delegated from the Trustees, to approve or reject proposed acquisitions and dispositions of investments by the REIT, to authorize proposed transactions on behalf of the REIT and to approve all borrowings and the assumption or granting of any mortgage. As of the date hereof, the Trustees have not appointed an Investment Committee but may do so in the future.

GOVERNANCE, COMPENSATION AND NOMINATION COMMITTEE

The Declaration of Trust requires the creation of a Governance, Compensation and Nomination Committee, consisting of at least three Trustees, to develop and monitor the REIT's approach to matters of governance, to the compensation of officers of the REIT and to the nomination of Trustees for election by Unitholders. A majority of the members of the Governance, Compensation and Nomination Committee must be Independent Trustees. The Trustees have appointed Gordon R. Cunningham (Chair), Daniel F. Sullivan and Peter Sharpe, all of whom are independent, to the Governance, Compensation and Nomination Committee.

AUDIT COMMITTEE

The Declaration of Trust requires the creation of an Audit Committee, consisting of at least three Trustees, to monitor the REIT's system of financial controls, to evaluate and report on the integrity of the financial statements of the REIT, to enhance the independence of the REIT's external auditors and to oversee the financial reporting process of the REIT. A copy of the mandate of the Audit Committee is attached to this Annual Information Form as Exhibit A. All of the members of the Audit Committee are financially literate and independent (as those terms are defined in National Instrument 52-110 *Audit Committees*). The Trustees have appointed an Audit Committee consisting of three Trustees, namely, Gerald R. Connor (Chair), James Griffiths and Ralph T. Neville. In addition to each member's general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member is as follows:
Mr. Griffiths is a chartered accountant and a real estate professional. Mr. Connor is Chairman of Cumberland Private Wealth Management Inc. Prior to founding Cumberland Private Wealth Management Inc., Mr. Connor was President of Connor, Clark and Company Ltd. (1977 to 1997). Mr. Connor has over 49 years of investment experience. Mr. Neville is a chartered accountant with over 41 years of experience with a public accounting firm.

The Audit Committee pre-approves non-audit services to be provided by the auditors on an annual basis. Authority to approve additional non-audit services is delegated to the Chair of the Audit Committee.

Investment Guidelines and Operating Policies

INVESTMENT GUIDELINES

The Declaration of Trust provides for certain guidelines on investments that may be made by the REIT. The assets of the REIT may be invested only in accordance with the following guidelines:

(a) the REIT may invest in interests (including fee ownership and leasehold interests) in income producing office, retail and residential properties and Properties Under Development in Canada;

(b) the REIT shall not make any investment, engage in any activity, take any action or omit to take any action that would result in Units not being units of a "mutual fund trust" within the meaning of the Tax Act, that would result in Units being disqualified for investment by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, tax free savings accounts, registered disability savings plans, or registered education savings plans, or that would cause the REIT not to qualify as a unit trust or a real estate investment trust for purposes of the Tax Act or that would result in the REIT being liable under the Tax Act to pay a tax under the registered investment provisions of the Tax Act or as a SIFT Trust as that term is defined in the Tax Act;

(c) the REIT may invest in joint venture, partnership or co-ownership arrangements (a "joint venture arrangement") only if:

(i) the joint venture arrangement is one pursuant to which the REIT holds an interest in real property jointly or in common with others ("joint venturers") either directly or through a partnership or the ownership of securities of a corporation (a "joint venture entity");

(ii) the REIT's interest in the joint venture arrangement, and the joint venture arrangement's interest in the particular real property or properties, is not subject to any restriction on transfer other than rights to purchase, if any, in favour of the joint venturers, restrictions, if any, on the nature and/or identity of the potential transferees and a requirement that the transferee enter into an assumption agreement;

(iii) the REIT has a right to purchase the interests of the other joint venturers which right may be subject to restrictions and/or limitations;

(iv) the joint venture arrangement may provide for an appropriate buy-sell mechanism to enable a joint venturer to purchase the interest of the other joint venturer or to sell its interest;

(v) the joint venture arrangement provides that the liability of the REIT to third parties is several and not joint and several (and contains an express disavowal of Trustee and Unitholder liability); provided, however, that the REIT may provide guarantees of the obligations of the other joint venturers to third parties if the REIT has remedies against the other joint venturers and also provided a joint venturer may be required to give up its interest in any particular joint venture property as a result of another joint venturer's failure to honour its proportionate share of the obligations relating to such property;

(vi) the joint venture arrangement is approved by a majority of the Independent Trustees or, if the number of Independent Trustees is less than three, by all the Independent Trustees; and

(vii) the REIT receives an opinion from counsel to the effect that the REIT is not exposed to any additional or unusual liabilities as a result of the joint venture arrangement;

provided that, notwithstanding the foregoing, the REIT may from time to time enter into any joint venture arrangement which does not comply with any of subparagraphs (ii), (iii) or (iv) above if the Trustees determine that the investment is desirable for the REIT and otherwise complies with the investment restrictions, investment guidelines and operating policies established in accordance with the Declaration of Trust and in effect at such time;

(d) the REIT shall not purchase, sell, market or trade in currency or interest rate futures contracts otherwise than for hedging purposes where, for the purposes hereof, the term "hedging" shall have the meaning ascribed thereto by National Instrument 81-102 *Investment Funds*, as amended from time to time, and any successor law or instrument;

(e) except for temporary investments held in cash, deposits with a Canadian chartered bank or trust company registered under the laws of a province or of Canada, short-term government debt securities, or money market instruments of, or guaranteed by, a Schedule I Canadian bank maturing within one year from the date of issue or except as permitted pursuant to paragraphs (c), (d), (i), (j) and (k) of this section, the REIT shall not hold securities of another issuer unless either (i) such securities derive their value, directly or indirectly, principally from real property, or (ii) the principal business of the issuer of the securities is the ownership or operation, directly or indirectly, of real property, or (iii) shares of a corporation which carries on a business which is ancillary or incidental to an income producing office property in Canada in which the REIT holds an interest (in each case as determined by the Trustees);

(f) the REIT shall not invest in rights to or interests in mineral or other natural resources, including oil or gas, except as incidental to an investment in real property;

(g) the REIT shall not invest in raw land except raw land:

    (i) which is ancillary to property which the REIT is otherwise permitted to purchase or already owns; or

    (ii) for the purpose of developing new properties which will be or are expected to be upon completion income producing;

(h) the aggregate amount of the acquisition costs of all Properties Under Development and the development costs of all Properties Under Development will not exceed 15% of the Gross Book Value;

(i) the REIT may invest in mortgages if the REIT intends to use the acquisition of the mortgages as a method of acquiring control of an income-producing real property which would otherwise comply with the investment restrictions, investment guidelines and operating policies established in accordance with the Declaration of Trust and in effect at such time and provided the aggregate book value of the investments of the REIT in these mortgages, after giving effect to the proposed investment, will not exceed 20% of the Adjusted Unitholders' Equity;

(j) the REIT shall not invest in or acquire securities of a Canadian real estate investment trust unless:

    (i) the activities of the real estate investment trust are focused on acquiring, holding, maintaining, improving, leasing or managing primarily income-producing real properties; and

    (ii) in the case of any proposed investment or acquisition which would result in the REIT owning beneficially more than 10% of the outstanding units of such real estate investment trust (the "acquired trust"), the investment is made for the purpose of subsequently effecting the merger or combination of the operations and assets of the REIT and the acquired trust or for otherwise ensuring that the REIT will control the undertaking and operations of the acquired trust;

(k) subject to paragraph (b), the REIT may invest an amount (which, in the case of an amount invested to acquire real property, is the purchase price less the amount of any indebtedness assumed or incurred by the REIT and secured by a mortgage on such property) up to 15% of the Adjusted Unitholders' Equity of the REIT in investments or transactions which do not comply with paragraphs (a), (c), (e), (g), (i) and (j) of this section or paragraph (d) of the operating policies below;

(l) the REIT shall not acquire any interest in a single real property if, after giving effect to the proposed acquisition, the cost to the REIT of such acquisition (net of the amount of acquisition debt) will exceed 20% of the REIT's Adjusted Unitholders' Equity; and

(m) the Trust may invest in interests (including fee ownership and leasehold interests) in income producing office, retail or residential properties and Properties Under Development in the United States.

For the purpose of the foregoing guidelines, the assets, liabilities and transactions of a corporation or other entity wholly or partially owned by the REIT will be deemed to be those of the REIT on a proportionate consolidated basis. In addition, any references in the foregoing to investment in real property will be deemed to include an investment in a joint venture arrangement. Nothing in the guidelines prohibits the REIT from holding some or all of the receivables due pursuant to the instalment receipt agreements.

OPERATING POLICIES

The Declaration of Trust provides that the operations and affairs of the REIT shall be conducted in accordance with the following policies:

(a) (i) any written instrument creating an obligation which is or includes the granting by the REIT of a mortgage, or (ii) to the extent the Trustees determine to be practicable and consistent with their fiduciary duty to act in the best interests of the Unitholders, any written instrument which in the judgment of the Trustees is a material obligation must, in each case, contain a provision or be subject to an acknowledgment to the effect that the obligation being created is not personally binding upon, and that resort will not be had to, nor will recourse or satisfaction be sought from, the private property (including, without limitation, any private property consisting of or arising from a distribution of any kind or nature by the REIT) of any of the Trustees, Unitholders, annuitants under a plan of which a Unitholder acts as a trustee or carrier, or officers, employees or agents of the REIT, but that only property of the REIT or a specific portion thereof will be bound; the REIT, however, is not required, subject to having, in the opinion of the Trustees, used all reasonable efforts to comply with this requirement, to comply in respect of obligations assumed by the REIT upon the acquisition of real property;

(b) the REIT will not lease or sublease to any person any real property, premises or space where that person and its affiliates would, after the contemplated lease or sublease, be leasing or subleasing real property, premises or space having a fair market value net of encumbrances in excess of 20% of the Adjusted Unitholders' Equity of the REIT;

(c) the limitation contained in paragraph (b) will not apply where the lessee or sublessee is, or where the lease or sublease is guaranteed by:

  (i) the Government of Canada, the Government of the United States, any province of Canada, any state of the United States, any municipality or city in Canada or the United States, or any agency thereof; or

  (ii) a Canadian chartered bank or its subsidiaries or a life insurance company registered or licensed federally or under the laws of a province of Canada;

(d) the REIT may engage in construction or development of real property in order to maintain its real properties in good repair or to expand upon or enhance the income-producing potential of properties in which the REIT has an interest;

(e) title to each real property must be held by and registered in the name of the REIT, the Trustees, a trustee for the REIT or in the name of a corporation or other entity wholly-owned, directly or indirectly, by the REIT or, directly or indirectly, by the REIT together with joint venturers, partners or co-owners;

(f) the REIT will not incur or assume any indebtedness if, after the incurring or assuming of the indebtedness, the total indebtedness of the REIT would be more than 60% of the Gross Book Value, excluding convertible debentures (or 65% of the Gross Book Value, including the entire principal amount of indebtedness outstanding pursuant to any convertible debentures, if any such convertible debentures are outstanding). For the purposes of this subsection, "indebtedness" means (without duplication) on a consolidated basis:

  (i) any obligation of the REIT for borrowed money (including, for greater certainty, the specified amount of convertible debentures, notwithstanding the presentation of such securities in the REIT's financial statements in accordance with IFRS);

  (ii) any obligation of the REIT incurred in connection with the acquisition of property;

  (iii) any obligation of the REIT issued or assumed as the deferred purchase price for property;

  (iv) any capital lease obligation of the REIT; and

(v) any obligation of a person other than the REIT of the type referred to in (i) through (iv) above, the payment of which is guaranteed by the REIT or for which the REIT is responsible or liable;

provided that, for the purposes of paragraphs (i) through (v) above (except as specifically provided with respect to convertible debentures in paragraph (i) above), an obligation will constitute "indebtedness" only to the extent that it would appear as a liability on the consolidated balance sheet of the REIT in accordance with IFRS;

(g) unless otherwise approved by a majority of the Trustees, at no time shall the total indebtedness of the REIT (other than secured trade payables, accrued expenses and distributions payable): (i) having floating interest rates; or (ii) having maturities of less than one year at the time of incurrence of the debt, exceed an amount equal to 15% of the Gross Book Value of the assets of the REIT;

(h) the REIT will not directly or indirectly guarantee any indebtedness or liabilities of any person unless such guarantee is given in connection with or incidental to an investment that is otherwise permitted under the investment guidelines above;

(i) the REIT shall obtain an independent appraisal of each property that it acquires;

(j) the REIT shall obtain and maintain at all times insurance coverage in respect of potential liabilities of the REIT and the accidental loss of value of the assets of the REIT from risks, in amounts, with such insurers, and on such terms as the Trustees consider appropriate, taking into account all relevant factors including the practices of owners of comparable properties; and

(k) the REIT shall obtain a Phase I environmental assessment of each real property to be acquired by it and, if the Phase I environmental assessment report recommends a Phase II environmental assessment be conducted, the REIT shall have conducted a Phase II environmental assessment, in each case by an independent and experienced environmental consultant; such assessment as a condition to any acquisition, must be satisfactory to the Trustees.

For the purpose of the foregoing policies, the assets, liabilities and transactions of a corporation or other entity wholly or partially owned by the REIT will be deemed to be those of the REIT on a proportionate consolidated basis. In addition, any references in the foregoing to investment in real property will be deemed to include an investment in a joint venture arrangement.

AMENDMENTS TO INVESTMENT GUIDELINES AND OPERATING POLICIES

Pursuant to the Declaration of Trust, all of the investment guidelines set out under the heading "Investment Guidelines and Operating Policies — Investment Guidelines" and the operating policies contained in paragraphs (e), (g), (h), (i) and (j) under the heading "Investment Guidelines and Operating Policies — Operating Policies" may be amended only with the approval of at least 66 2/3% of the votes cast by Unitholders of the REIT at a meeting of Unitholders called for such purpose. The remaining operating policies may be amended with the approval of a majority of the votes cast by Unitholders at a meeting called for such purpose.

Declaration of Trust and Description of Units

GENERAL

The REIT is an unincorporated closed-ended real estate investment trust created pursuant to the Declaration of Trust and governed by the laws of the Province of Ontario.

UNITS

The beneficial interests in the REIT are divided into a single class of Units. The aggregate number of Units which the REIT may issue is unlimited. Units represent a Unitholder's proportionate undivided beneficial interest in the REIT. No Unit has any preference or priority over another. No Unitholder has or is deemed to have any right of ownership in any of the assets of the REIT. Each Unit confers the right to one vote at any meeting of Unitholders and to participate *pro rata* in any distributions by the REIT and, in the event of termination of the REIT, in the net assets of the REIT remaining after satisfaction of all liabilities. Units are transferable. Issued and outstanding Units may be subdivided or consolidated from time to time by the Trustees without Unitholder approval. Fractional Units will not entitle the holders thereof to vote except to the extent they may represent in the aggregate one or more whole Units.

LIMITATION ON NON-RESIDENT OWNERSHIP

At no time may non-residents of Canada (within the meaning of the Tax Act) be the beneficial owners of more than 49% of the Units and the Trustees shall inform the transfer agent and registrar of the REIT of this restriction. The transfer agent and registrar may require declarations as to the jurisdictions in which beneficial owners of Units are resident. If the transfer agent and registrar becomes aware, as a result of requiring such declarations as to beneficial ownership or otherwise, that the beneficial owners of 49% of the Units then outstanding are, or may be, non-residents or that such a situation is imminent, the transfer agent and registrar will advise the Trustees, and upon receiving direction from the Trustees, may make a public announcement thereof and shall not accept a subscription for Units from or issue or register a transfer of Units to a person unless the person provides a declaration that the person is not a non-resident. If, notwithstanding the foregoing, the transfer agent and registrar determines that more than 49% of the Units are held by non-residents, the transfer agent and registrar may, upon receiving a direction and suitable indemnity from the Trustees, send a notice to non-resident holders of Units, chosen in inverse order to the order of acquisition or registration or in such manner as the Trustees may consider equitable and practicable, requiring them to sell their Units or a portion thereof within a specified period of not less than 60 days. If the Unitholders receiving such notice have not sold the specified number of Units or provided the Trustees with satisfactory evidence that they are not non-residents within such period, the transfer agent and registrar, upon receiving a direction from the Trustees, may on behalf of such Unitholders sell such Units and, in the interim, shall suspend the voting and distribution rights attached to such Units. Upon such sale the affected holders shall cease to be holders of Units and their rights shall be limited to receiving the net proceeds of sale, subject to the right to receive payment of any distribution declared by the Trustees which is unpaid and owing to such Unitholders upon surrender of the certificate representing such Units, if any.

AMENDMENTS TO DECLARATION OF TRUST

On May 12, 2016, the REIT amended the Declaration of Trust: (i) to include certain rights, remedies and procedures in favour of Unitholders consistent, to the extent possible, with those available to shareholders of a corporation pursuant to the *Canada Business Corporations Act*, as reflected in the model declaration of trust provisions prepared by the Canadian Coalition for Good Governance in November 2015; (ii) to clarify the permitted joint venture, partnership and co-ownership arrangements in which the REIT may invest to give the REIT flexibility in structuring its investments with its joint venture partners; and (iii) to reflect applicable tax legislation.

Price Range and Trading Volume of the Units

VOLUME OF THE UNITS

The Units of the REIT are listed on the TSX and are quoted under the symbol "AP.UN". The following table sets forth, for the periods indicated, the price ranges and trading volumes of the Units on the TSX.

2017	HIGH ($)	LOW ($)	VOLUME
January	36.11	33.27	3,646,847
February	35.91	33.76	3,670,925
March	36.86	34.94	3,481,984
April	37.95	36.04	1,915,015
May	38.25	36.43	2,584,408
June	40.22	38.07	2,958,379
July	39.10	37.89	1,502,069
August	40.54	38.03	6,906,406
September	39.90	37.68	3,262,092
October	41.81	39.52	2,882,495
November	42.41	40.95	2,423,396
December	42.34	41.36	2,451,663

2018	HIGH ($)	LOW ($)	VOLUME
January	42.38	40.65	2,828,749
February 1 - 13	41.44	38.71	1,773,211

On February 13, 2018, the closing price of the Units on the TSX was $40.30.

UNITS SUBJECT TO CONTRACTUAL RESTRICTIONS ON TRANSFER

The following table sets forth, to the knowledge of the REIT, the aggregate number of Units of the REIT subject to contractual restrictions on transfer pursuant to the restricted unit plan of the REIT as at December 31, 2017 and the percentage that number represents of the issued and outstanding Units of the REIT as at December 31, 2017.

TOTAL NUMBER OF UNITS SUBJECT TO A CONTRACTUAL RESTRICTION ON TRANSFER	PERCENTAGE OF OUTSTANDING UNITS
241,557 (1)	0.26%

NOTE

(1) Following is a summary of Units (the "**Restricted Units**") outstanding under the REIT's restricted unit plan as at December 31, 2017 which may not be sold, mortgaged or otherwise disposed of until the dates noted below:

GRANT DATE	UNITS GRANTED	RESTRICTION REMOVAL DATE
March 6, 2012	31,594	March 6, 2018
August 14, 2012	534	August 14, 2018
March 5, 2013	34,915	March 5, 2019
March 4, 2014	45,742	March 4, 2020
May 6, 2014	852	May 6, 2020
March 3, 2015	47,695	March 3, 2021
March 1, 2016	30,994	March 1, 2022
February 22, 2017	64,217	February 22, 2023
Total Restricted Units granted	256,543	
Restricted Units forfeited or transferred under the restricted unit plan	(14,986)	
Net Restricted Units outstanding	241,557	

Senior Unsecured Debentures

As at December 31, 2017, the REIT had the following senior unsecured debentures (collectively **"Unsecured Debentures"**) outstanding:

	DATE OF ISSUE	DATE OF MATURITY	BALANCE OUTSTANDING ($)
Series A, 3.748%, semi-annual interest payments due May 13 and November 13	May 13, 2015 and August 18, 2015	May 13, 2020	225,000,000
Series B, 3.934%, semi-annual interest payments due May 14 and November 14	May 12, 2016	November 14, 2022	150,000,000
Series C, 3.636%, semi-annual interest payments due April 21 and October 21	April 21, 2017	April 21, 2025	200,000,000

The Unsecured Debentures were issued under the Trust Indenture. The Unsecured Debentures are direct senior unsecured obligations of the REIT and rank equally and rateably with one another, regardless of their actual date or terms of issue, and with all other unsecured and unsubordinated indebtedness of the REIT, except to the extent prescribed by law. At its option, the REIT may redeem the Unsecured Debentures at any time, in whole or in part, on payment of a redemption price equal to the greater of (i) the Canada Yield Price and (ii) par, together in each case with accrued and unpaid interest to the date fixed for redemption (less any taxes required by law to be deducted or withheld).

Credit Rating

Allied's credit rating for the Unsecured Debentures is summarized below:

DEBT	RATING AGENCY	LONG-TERM CREDIT RATING	TREND
Unsecured Debentures	DBRS	BBB (low)	Stable

Long-term ratings assigned by DBRS Limited (**"DBRS"**) provide the opinion of DBRS on the risk of default; that is, the risk that an issuer will fail to satisfy its financial obligations in accordance with the terms under which an obligation has been issued.

DBRS' long-term credit ratings scale ranges from "AAA" (typically assigned to obligations of the highest credit quality) to "D" (typically assigned to obligations when the issuer has filed under any applicable bankruptcy, insolvency or winding up statute or there is a failure to pay or satisfy an obligation after the exhaustion of grace periods where DBRS believes the default will subsequently be general in nature and include all obligations). A long-term obligation rated "BBB" by DBRS is the fourth highest-rated obligation after those rated "AAA", "AA" and "A" and is, in DBRS' view, of adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. DBRS indicates that "BBB" rated obligations may be vulnerable to future events. All DBRS rating categories other than "AAA" and "D" also contain subcategories "(high)" and "(low)". The addition of either a "(high)" or "(low)" designation indicates the relative standing within a rating category.

DBRS uses "rating trends" for its ratings in, among other areas, the real estate investment trust sector. DBRS' rating trends provide guidance in respect of DBRS' opinion regarding the outlook for the rating in question, with rating trends falling into one of three categories: "Positive", "Stable" or "Negative". The rating trend indicates the direction in which DBRS considers the rating is headed should present circumstances continue, or in some cases, unless challenges are addressed. In general, DBRS assigns rating trends based primarily on an evaluation of the issuing entity or guarantor itself, but may also include consideration of the outlook for the industry or industries in which the issuing entity operates. A "Positive" or "Negative" trend assigned by DBRS is not an indication that a rating change is imminent, but represents an indication that there is a greater likelihood that the rating could change in the future than would be the case if a "Stable" trend was assigned.

The above-mentioned rating assigned to the Unsecured Debentures is not a recommendation to buy, sell or hold any securities of Allied and may be subject to revision or withdrawal at any time by DBRS.

Allied has paid customary rating fees to DBRS in connection with the above-mentioned rating. There can be no assurance that a rating will remain in effect for any given period of time or that a rating will not be lowered, withdrawn or revised by the rating agency if in its judgment circumstances so warrant.

Distributions and Distribution Policy

The following outlines the distribution policy of the REIT. Subject to compliance with such distribution policy, determinations as to the amounts actually distributable are in the discretion of the Trustees.

GENERAL

Distributions are determined by the Trustees in their discretion. Distributions shall be made in cash or Units pursuant to any distribution reinvestment plan adopted by the Trustees pursuant to the Declaration of Trust, including the Distribution Reinvestment Plan. Any distribution shall be made proportionately to persons who are Unitholders as at the close of business on the record date for such distribution, which shall be the last Business Day (as defined by the Declaration of Trust) of the calendar month preceding the month in which the Distribution Date falls, or if such date is not a Business Day then the next following Business Day, or such other date, if any, as is fixed in accordance with the Declaration of Trust.

The REIT makes monthly cash distributions to Unitholders on each Distribution Date (being in respect of a month, on or about the 15th day of the following month). The level of distributions paid by the REIT fluctuates from year to year. It is the present intention of the Trustees to allocate, distribute and make payable to Unitholders in each year, in aggregate, the amount necessary such that the REIT will not be liable to pay tax under Part I of the Tax Act for such year.

The following table sets out the distributions paid by the REIT for the periods indicated:

PERIOD	MONTHLY DISTRIBUTION PER UNIT ($)
April 2003 - February 2004	$0.09167
March 2004 - February 2005	$0.09500
March 2005 - February 2006	$0.09833
March 2006 - February 2007	$0.10167
March 2007 - February 2008	$0.10500
March 2008 - December 2012	$0.11000
January 2013 - November 2013	$0.11330
December 2013 - November 2014	$0.11750
December 2014 - November 2015	$0.12160
December 2015 - November 2016	$0.12500
December 2016 - November 2017	$0.12750
December 2017 - Current	$0.13000

COMPUTATION OF NET REALIZED CAPITAL GAINS

The net realized capital gains of the REIT for any year means the amount, if any, by which the capital gains of the REIT for the year exceed the aggregate of the amount of any capital losses of the REIT for the year and the amount of net capital losses of the REIT for prior years.

TAX DEFERRAL ON DISTRIBUTIONS

A portion of the distributions to be made by the REIT to Unitholders will be tax deferred by reason of the REIT's ability to claim capital cost allowance and certain other deductions. Please refer to the REIT's website (*www.alliedreit.com*) for the details of the distribution history. The adjusted cost base of Units held by a Unitholder will generally be reduced by the non-taxable portion of distributions made to the Unitholder (other than the non-taxable portion of certain capital gains). A Unitholder will generally realize a capital gain to the extent that the adjusted cost base of the Unitholder's Units would otherwise be a negative amount.

DISTRIBUTION REINVESTMENT PLAN

Allied instituted a DRIP whereby Canadian Unitholders may elect to have their distributions automatically reinvested in additional Units. Effective November 21, 2016, Allied suspended its DRIP until further notice. No commissions, service charges or brokerage fees are payable by participants in connection with the DRIP.

Unitholders’ Rights Plan

The REIT has established a Unitholders’ rights protection plan (the **“Rights Plan”**). The material terms of the Rights Plan are summarized below and are substantially the same as the Unitholders’ rights protection plan originally implemented by the REIT at the IPO apart from changes to the definitions of Expiration Time, Lock-up Agreement, Exercise Price, controlled and acting jointly or in concert and amendments to the redemption and waiver provisions, which changes are discussed below. This summary is qualified in its entirety by reference to the actual provisions of the Rights Plan. All capitalized terms which are used in this summary and are not otherwise defined have the meanings which are attributed to them in the Rights Plan.

GENERAL

To implement the Rights Plan, the Trustees will authorize the issuance of one right (a **“Plan Right”**) in respect of each Unit when issued. Each Plan Right entitles the registered holder to purchase from the REIT one Unit for the Exercise Price, subject to adjustment as set out in the Rights Plan. In the event of an occurrence of a Flip-in Event (as defined below), each Plan Right entitles the registered holder to purchase from the REIT that number of Units that have an aggregate Market Price (as defined in the Rights Plan) on the date of consummation or occurrence of such Flip-in Event equal to twice the Exercise Price (as defined in the Rights Plan), in accordance with the terms of the Rights Plan, for an amount in cash equal to the Exercise Price, subject to certain adjustments. The Plan Rights are not exercisable prior to the Separation Time (as defined below). The issuance of the Plan Rights will not affect reported earnings per Unit until the Plan Rights separate from the underlying Units and become exercisable. The issuance of Plan Rights will not change the manner in which Unitholders currently trade their Units. The Exercise Price under the rights protection plan implemented by the REIT at the IPO was set at $40.00. Under the Rights Plan, the Exercise Price is an amount equal to three times the Market Price (as defined in the Rights Plan).

The Rights Plan must be reconfirmed by a resolution passed by a majority of the votes cast by all Unitholders at every third annual meeting of Unitholders. If the Rights Plan is not so reconfirmed, the Rights Plan and all outstanding Plan Rights shall terminate and be void and of no further force and effect, provided that such termination shall not occur if a Flip-in Event that has not been waived pursuant to the Rights Plan has occurred prior to such annual meeting. The rights protection plan implemented by the REIT at the IPO had a ten-year term expiring February 20, 2013, subject to the reconfirmation by Unitholders every third annual meeting of Unitholders. The Trustees of the REIT amended the definition of Expiration Time to provide that the Rights Plan must be reconfirmed and approved by Unitholders every three years without specifying a fixed term.

FLIP-IN EVENT

A "Flip-in Event" means a transaction as a result of which a Person becomes an Acquiring Person (as defined below). On the occurrence of a Flip-in Event, any Plan Rights Beneficially Owned on or after a date determined in accordance with the Rights Plan by an Acquiring Person (including any affiliate or associate thereof or any Person acting jointly or in concert with an Acquiring Person or any affiliate or associate of an Acquiring Person) and certain transferees of Plan Rights will become void and any such holder will not have any right to exercise Plan Rights under the Rights Plan and will not have any other rights with respect to the Plan Rights.

ACQUIRING PERSON

An "Acquiring Person" is, generally, a Person who is the Beneficial Owner of 20% or more of the outstanding Units of the REIT. Under the Rights Plan there are various exceptions to this rule, including that an Acquiring Person: (i) shall not include: (A) the REIT or a subsidiary of the REIT, and (B) an underwriter or selling group member during the course of a public distribution, and (ii) may not, in certain circumstances, include a Person who becomes the Beneficial Owner of 20% or more of the outstanding Units as a result of any one of certain events or combinations of events that include: (A) a Unit reduction through an acquisition or redemption of Units by the REIT, and (B) an acquisition of Units made pursuant to a Permitted Bid (as defined below) or a Competing Permitted Bid.

BENEFICIAL OWNERSHIP

A Person is deemed to be the "Beneficial Owner" of, and to "Beneficially Own", Units in circumstances where that Person or any of its affiliates or associates: (i) is the owner of the Units at law or in equity, or (ii) in certain circumstances, has the right to become the owner at law or in equity where such right is exercisable within 60 days and includes any Units that are Beneficially Owned by any other Person with whom such Person is acting jointly or in concert. Under the Rights Plan there are various exceptions to this rule, including where a Person:

(a) has agreed to deposit or tender Units to a take-over bid pursuant to a permitted lock-up agreement in accordance with the terms of the Rights Plan; or

(b) is an investment fund manager or a trust company acting as trustee or administrator who holds such Units in the ordinary course of such duties for the account of another Person or other account(s), an administrator or trustee of one or more registered pension funds or plans, a crown agent or agency, a manager or trustee of certain mutual funds or a Person established by statute to manage investment funds for employee benefit plans, pension plans, insurance plans or various public bodies, provided that such Person is not making and has not announced an intention to make a take-over bid alone or acting jointly or in concert with any other Person, other than an Offer to Acquire Units (as defined in the Rights Plan) pursuant to a distribution by the REIT, by means of a Permitted Bid, or by means of ordinary market transactions executed through the facilities of a stock exchange or organized over-the-counter market.

LOCK-UP AGREEMENTS

A bidder, any of its affiliates or associates or any other Person acting jointly or in concert with the bidder may enter into lock-up agreements (each, a **"Lock-up Agreement"**) with the REIT's Unitholders (each, a **"Locked-up Person"**) whereby such Locked-up Persons agree to tender their Units to the take-over bid or otherwise commit to support a control transaction (the **"Subject Bid"**) without a Flip-in Event occurring. Any such agreement must permit the Locked-up Person to withdraw their Units from the lock-up to tender to another take-over bid or support another transaction that (i) will provide greater value to the Locked-up Person than the Subject Bid or (ii) contains an offering price per Unit that exceeds by as much or more than a specified amount (a **"Specified Amount"**) the value offered under the Subject Bid, and does not provide for a Specified Amount that is greater than 7% of the value offered under the Subject Bid.

The Rights Plan expands on the definition of Lock-up Agreement in the rights protection plan originally put in place by the REIT at the IPO. The definition of Lock-up Agreement is amended to provide that any Lock-up Agreement can be made available to the public, and that under a Lock-up Agreement no "break-up" fees, "top-up" fees, penalties, expense reimbursement or other amounts that exceed in aggregate the greater of: (i) 2.5% of the value payable to the Locked-up Person under the Subject Bid; and (ii) 50% of the amount by which the value payable to the Locked-up Person under another take-over bid or transaction exceeds what such Locked-up Person would have received under the Subject Bid; can be payable by such Locked-up Person if the Locked-up Person fails to deposit or tender their Units to the Subject Bid or withdraws such Units previously tendered thereto in order to tender such Units to another take-over bid or participate in another transaction.

PERMITTED BID

A Flip-in Event will not occur if a take-over bid is structured as a Permitted Bid. A Permitted Bid is a take-over bid made by means of a take-over bid circular, which also complies with the following provisions:

(a) the take-over bid is made to all registered Unitholders of the REIT, wherever resident, other than the Person making the bid;

(b) the take-over bid contains, and the take-up and payment for securities tendered or deposited thereunder is subject to, irrevocable and unqualified conditions that:

(i) no Units will be taken-up or paid for pursuant to the take-over bid: (A) before the close of business on a date that is not less than 60 days following the date of the take-over bid; and (B) unless, at the close of business on such date, the Units deposited or tendered pursuant to the take-over bid and not withdrawn constitute more than 50% of the Units outstanding which are held by "independent unitholders" (as defined in the Rights Plan);

(ii) unless the take-over bid is withdrawn, Units may be deposited pursuant to the take-over bid at any time before the close of business on the date of the first take-up of or payment for Units;

(iii) any Units deposited pursuant to the take-over bid may be withdrawn until taken-up and paid for; and

(iv) if the requirement in clause (b) (i) (B) is satisfied, the Person making the bid will make a public announcement of that fact and the take-over bid will remain open for deposits and tenders of Units for not less than ten business days from the date of such public announcement.

TRADING OF RIGHTS

Until the Separation Time (as defined below), the Plan Rights will be evidenced by the associated issued and outstanding Units of the REIT. The Rights Plan provides that, until the Separation Time, the Plan Rights will be transferred with, and only with, the associated Units. Until the Separation Time, or earlier termination or expiration of the Plan Rights, each new Unit certificate issued after the applicable record time, if any, will display a legend incorporating the terms of the Rights Plan by reference. As soon as practicable following the Separation Time, separate certificates evidencing the Plan Rights (**"Plan Rights Certificates"**) will be mailed to registered Unitholders, other than an Acquiring Person and in respect of any Plan Rights Beneficially Owned by such Acquiring Person, as of the close of business at the Separation Time, and thereafter the Plan Rights Certificates alone will evidence the Plan Rights.

SEPARATION TIME

The Plan Rights will separate and trade apart from the Units after the Separation Time until the Expiration Time. Subject to the right of the Trustees to defer it, the "Separation Time" means the close of business on the eighth business day after the earliest of: (i) the first date of a public announcement that a Person has become an Acquiring Person; (ii) the commencement or first public announcement of the intent of any Person to commence a take-over bid other than a Permitted Bid; and (iii) the date upon which a Permitted Bid or Competing Permitted Bid ceases to be such.

WAIVER

Without the consent of Unitholders or, if applicable, holders of Plan Rights, the Trustees may waive the application of the Rights Plan to a Flip-in Event that would occur by reason of a take-over bid made by means of a take-over bid circular to all Unitholders of the REIT provided that, if the Trustees waive the application of the Rights Plan to such Flip-in Event, they will be deemed to have waived the application of the Rights Plan to any other Flip-in Events occurring by reason of a take-over bid made by means of a take-over bid circular to all Unitholders of the REIT which is made prior to the expiry of any take-over bid in respect of which a waiver has been granted by the Trustees. The Trustees may also, subject to certain conditions, waive the application of the Rights Plan to a Flip-in Event triggered by inadvertence.

REDEMPTION

The Trustees with the approval of a majority vote of the votes cast by Unitholders (or the holders of Plan Rights if the Separation Time has occurred) voting in person and by proxy, at a meeting duly called for that purpose, may redeem the Plan Rights at $0.001 per Plan Right, subject to adjustment in accordance with the Rights Plan. Plan Rights become void and of no further effect upon take up and payment for units pursuant to a Permitted Bid, Competing Permitted Bid or Exempt Acquisition (as defined in the Rights Plan).

POWER TO AMEND

The REIT may make amendments to the Rights Plan to correct clerical or typographical errors without the approval of the holders of Plan Rights. The REIT may make amendments to the Rights Plan to preserve the validity of the Rights Plan in the event of any change in applicable legislation, rules or regulations thereunder with the approval of the Unitholders of the REIT or, in certain circumstances, the holders of Plan Rights, in accordance with the Rights Plan. In other circumstances, amendments to the Rights Plan may require the prior approval of the Unitholders of the REIT or, the holders of Plan Rights.

EXEMPTIONS FOR INVESTMENT ADVISORS

Investment advisors (for fully managed accounts), trust companies (acting in their capacities as trustees and administrators), statutory bodies whose business includes the management of funds and administrators of registered pension plans acquiring greater than 20% of the Units are exempted from triggering a Flip-in Event, provided that they are not making, or are not part of a group making, a take-over bid.

Experts

The REIT's consolidated balance sheet as at December 31, 2017, and the consolidated statement of unitholders' equity, income and comprehensive income and cash flow for the year then ended, has been audited by Deloitte Canada LLP, the independent auditor of the REIT. Until February 22, 2017, the independent auditor of the REIT was BDO Canada LLP. Both firms are independent of the REIT within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

Transfer Agent and Registrar

The transfer agent and registrar of the Units is AST Trust Company (Canada) at its principal office in Toronto, Ontario.

The trustee, registrar and transfer agent for the senior unsecured debentures is Computershare Trust Company of Canada at its principal office in Toronto, Ontario.

Audit Fees

The following table sets forth all services rendered by the REIT's external auditors by category, together with the corresponding fees billed by the auditors for each category of service for the financial years ended December 31, 2017 and 2016.

	YEAR ENDED DECEMBER 31 2017	YEAR ENDED DECEMBER 31 2016
Audit Fees [1]	255,000	273,000
Audit-Related Fees [2]	148,000	226,000
Tax Fees [3]	—	52,000
All Other Fees [4]	194,000	189,000
Total Fees	597,000	740,000

NOTES

(1) Represents the aggregate fees billed by the REIT's auditors for audit services.

(2) Represents the aggregate fees billed for assurance and related services by the REIT's auditors that are reasonably related to the performance of the audit or review of the REIT's financial statements, prospectuses filed during the respective years and IFRS related review and are not included under "Audit Fees".

(3) Represents the aggregate fees billed for professional services rendered by the REIT's auditors for tax compliance, tax advice and tax planning.

(4) Represents the aggregate fees billed for products and services provided by the REIT's auditors other than those services reported under "Audit Fees", "Audit-Related Fees" and "Tax Fees".

Material Contracts

The following are the only material contracts, other than contracts entered into in the ordinary course of business, entered into by the REIT within the most recently completed financial year of the REIT or before the most recently completed financial year but still in effect:

(a) the Declaration of Trust;

(b) the Rights Plan; and

(c) the Trust Indenture.

Electronic copies of the contracts set out above may be accessed on SEDAR at www.sedar.com.

Additional Information

Additional information relating to the REIT can be found on SEDAR at www.sedar.com. Additional information, including Trustees' and officers' remuneration and indebtedness, principal holders of Units of the REIT and securities authorized for issuance under equity compensation plans, as applicable, is contained in the REIT's information circular prepared in connection with the annual meeting of Unitholders held on May 4, 2017. Additional financial information is provided in the REIT's audited consolidated financial statements and management's discussion and analysis of financial condition and results of operations for the period ended December 31, 2017. A copy of such documents may be obtained upon request from the Chief Financial Officer of the REIT.

EXHIBIT A
ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST
(THE "REIT")
AUDIT COMMITTEE

Terms of Reference

1. PURPOSE

The overall purpose of the Audit Committee (the "Committee") of the REIT is to monitor the REIT's system of internal financial controls, to evaluate and report on the integrity of the financial statements including the MD&A and related Press Releases of the REIT, to enhance the independence of the REIT's external auditor and to oversee the accounting and financial reporting processes and audits of financial statements of the REIT.

2. COMPOSITION, PROCEDURES AND ORGANIZATION

2.1 The Committee shall consist of at least three members of the board of trustees of the REIT (the "Board"), each of whom shall be, in the determination of the Board, "independent" as that term is defined by Multilateral Instrument 52-110 Audit Committees, as amended from time to time, and the majority of whom shall be resident Canadians. The definition of "independent" is set out in Exhibit A hereto.

2.2 All members of the Committee shall be, in the determination of the Board, "financially literate", as that term is defined by Multilateral Instrument 52-110 Audit Committees, as amended from time to time. The definition of "financially literate" is set out in Exhibit A hereto.

2.3 The Board, at its organizational meeting held in conjunction with each annual meeting of unit holders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee. Any member of the Committee ceasing to be a trustee shall cease to be a member of the Committee.

2.4 Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair from amongst their number.

2.5 The Committee shall have access to such officers and employees of the REIT and to the REIT's external auditor and its legal counsel, and to such information respecting the REIT as it considers to be necessary or advisable in order to perform its duties.

2.6 Notice of every meeting shall be given to the external auditor, who shall, at the expense of the REIT, be entitled to attend and to be heard thereat.

2.7 Meetings of the Committee shall be conducted as follows:

(a) the Committee shall meet on a regular basis, at such times and at such locations as the chair of the Committee shall determine;

(b) the external auditor or any member of the Committee may call a meeting of the Committee;

(c) any trustee of the REIT may request the chair of the Committee to call a meeting of the Committee and may attend such meeting to inform the Committee of a specific matter of concern to such trustee, and may participate in such meeting to the extent permitted by the chair of the Committee; and

(d) the external auditor and management employees shall, when required by the Committee, attend any meeting of the Committee.

2.8 The external auditor shall be entitled to communicate directly with the chair of the Committee and may meet separately with the Committee. The Committee, through its chair, may contact directly any employee of the REIT as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper practices or transactions.

2.9 Compensation to members of the Committee shall be limited to trustee's fees, either in the form of cash or equity, and members shall not accept consulting, advisory or other compensatory fees from the REIT (other than as members of the Board and Board committee members).

2.10 The Committee is authorized, at the REIT's expense, to retain independent counsel and other advisors as it determines necessary to carry out its duties and to set their compensation.

3. DUTIES

General

3.1 The overall duties of the Committee shall be to:

(a) assist the Board in the discharge of its duties relating to the REIT's accounting policies and practices, reporting practices and internal controls;

(b) establish and maintain a direct line of communication with the REIT's external auditor and assess its performance;

(c) oversee the co-ordination of the activities of the external auditor;

(d) ensure that the management of the REIT has designed, implemented and is maintaining an effective system of internal controls;

(e) monitor the credibility and objectivity of the REIT's financial reports;

(f) report regularly to the Board on the fulfillment of the Committee's duties;

(g) assist the Board in the discharge of its duties relating to the REIT's compliance with legal and regulatory requirements; and

(h) assist the Board in the discharge of its duties relating to risk assessment and risk management.

Oversight of External Auditor

3.2 The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the REIT, including the resolution of disagreements between management and the external auditor regarding financial reporting, and in carrying out such oversight the Committee's duties shall include:

(a) recommending to the Board a firm of external auditors to be nominated for the purpose of preparing or issuing an audit report or performing other audit, review or attest services for the REIT and recommending the compensation of the external auditor;

(b) reviewing, where there is to be a change of external auditor, all issues related to the change, including the information to be included in the notice of change of auditor called for under National Instrument 51-102 Continuous Disclosure Obligations, as amended from time to time, and the planned steps for an orderly transition;

(c) reviewing all reportable events, including disagreements, unresolved issues and consultations, as defined in National Instrument 51-102 Continuous Disclosure Obligations, as amended from time to time, on a routine basis, whether or not there is to be a change of external auditor;

(d) reviewing the engagement letters of the external auditor, both for audit and non-audit services;

(e) reviewing the performance, including the fee, scope and timing of the audit and other related services and any non-audit services provided by the external auditor; and

(f) reviewing and approving the nature of and fees for any non-audit services performed for the REIT by the external auditor and consider whether the nature and extent of such services could detract from the firm's independence in carrying out the audit function.

Audits and Financial Reporting

3.3 The duties of the Committee as they relate to audits and financial reporting shall be to:

(a) review the audit plan with the external auditor and management;

(b) review with the external auditor and management any proposed changes in accounting policies, the presentation of the impact of significant risks and uncertainties, and key estimates and judgments of management that may in any such case be material to financial reporting;

(c) review the contents of the audit report;

(d) question the external auditor and management regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;

(e) review the scope and quality of the audit work performed;

(f) review the adequacy of the REIT's financial and auditing personnel;

(g) review the co-operation received by the external auditor from the REIT's personnel during the audit, any problems encountered by the external auditor and any restrictions on the external auditor's work;

(h) review the internal resources used;

(i) review the appointments of the chief financial officer, internal auditor (or persons performing the internal audit function) and any key financial executives involved in the financial reporting process;

(j) review and approve the REIT's annual audited financial statements and those of its subsidiaries in conjunction with the report of the external auditor thereon including related MD&A and Press Release, and obtain an explanation from management of all significant variances between comparative reporting periods before release to the public;

(k) review and approve the REIT's interim unaudited financial statements including related MD&A and Press Release and auditors' review thereof, and obtain an explanation from management of all significant variances between comparative reporting periods before release to the public;

(l) establish a procedure for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and employees' confidential anonymous submission of concerns regarding accounting and auditing matters;

(m) satisfy itself that adequate procedures are in place for the review of the REIT's public disclosure of financial information extracted or derived from the REIT's financial statements, and periodically re-assess the adequacy of those controls; and

(n) review the terms of reference, if any, for an internal auditor or internal audit function.

Internal Controls

3.4 The duties of the Committee as they relate to the review of internal controls over financial reporting shall be to, on an annual basis:

(a) review the processes that support the CEO's and CFO's certification regarding internal controls over financial reporting ("ICFR") and be satisfied that they constitute a reasonable approach and are diligently performed;

(b) review all design or operational weaknesses in ICFR identified in these processes that could have a material impact on the issuer's financial reporting;

(c) review how management assessed each weakness, and decided on whether it should be disclosed in the MD&A or not, and should review the "close call" decisions;

(d) review the completeness and accuracy of the disclosures provided in the MD&A;

(e) review, with advice from legal counsel as necessary, the proposed course of action for CEO and CFO signing of the certificates and consultation with the appropriate securities regulators when unremedied ICFR design weaknesses are disclosed in the MD&A; and

(f) review and approve disclosed remediation plans.

Accounting Policies and Disclosure of Financial Information

3.5 The duties of the Committee as they relate to accounting and disclosure policies and practices shall be to:

(a) review changes to IFRS which would have a significant impact on the REIT's financial reporting as reported to the Committee by management and the external auditor;

(b) review the appropriateness of the accounting policies used in the preparation of the REIT's financial statements and consider recommendations for any material change to such policies;

(c) review the status of material contingent liabilities as reported to the Committee by management;

(d) review the status of potentially significant tax problems as reported to the Committee by management;

(e) review any errors or omissions in the current or prior year's financial statements;

(f) review and approve before their release all public disclosure documents containing audited or unaudited financial information, including all annual and interim earnings press releases, annual information forms and management's discussion and analyses; and

(g) oversee and review all financial information and earnings and distributable cash flow guidance provided to analysts and rating agencies.

Other

3.6 The other duties of the Committee shall include:

(a) reviewing any inquires, investigations or audits of a financial nature by governmental, regulatory or taxing authorities;

(b) reviewing annual operating and capital budgets;

(c) reviewing the funding and administration of the REIT's compensation and pension plans, if any;

(d) reviewing and reporting to the Board on difficulties and problems with regulatory agencies which are likely to have a significant financial impact;

(e) inquiring of management and the external auditor as to any activities that may be or may appear to be illegal or unethical; and

(f) any other questions or matters referred to it by the Board.